

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

IN RE: : CHAPTER 11
CDC CORPORATION, : CASE NO. 11-79079 -PWB
Debtor. :
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**MOTION FOR ENTRY OF AN ORDER PURSUANT TO RULE 9019(a) OF THE
FEDERAL RULES OF BANKRUPTCY PROCEDURE (I) AUTHORIZING AND
APPROVING SETTLEMENT AGREEMENT BY AND AMONG MARCUS A.**

APPROVING SETTLEMENT AGREEMENT BY AND AMONG WATSON,
WATSON, AS LIQUIDATION TRUSTEE FOR THE CDC LIQUIDATION TRUST, AND
RAJAN VAZ AND CERTAIN VAZ AFFILIATED ENTITIES, (II) AUTHORIZING
RELEASE OF ESCROWED FUNDS TO THE CDC LIQUIDATION TRUST ARISING
FROM ASSET SALES OBJECTED TO BY RAJAN VAZ OR INVOLVING CERTAIN
VAZ AFFILIATED ENTITIES, AND (III) CONDITIONALLY (A) AUTHORIZING
RELEASE OF THE REMAINING TRANSHORIZON FUNDS TO RAJAN VAZ AND (B)
RELEASING AND DISCHARGING THE TRANSHORIZON CLAIMS AGENT FROM
FURTHER DUTIES AND OBLIGATIONS UNDER THE TRANSHORIZON ORDER

COMES NOW Marcus A. Watson, as Liquidation Trustee for the CDC Liquidation Trust (“Trustee”), and files this “Motion for Entry of an Order Pursuant to Rule 9019(a) of the Federal Rules of Bankruptcy Procedure (i) Authorizing and Approving Settlement Agreement Among Marcus A. Watson, as Liquidation Trustee for the CDC Liquidation Trust, and Rajan Vaz and Certain Vaz Affiliated Entities, (ii) Authorizing Release of Escrowed Funds to the CDC Liquidation Trust Arising from Asset Sales Objected to by Rajan Vaz or Involving Certain Vaz Affiliated Entities and (iii) Conditionally (a) Authorizing Release of the Remaining Transhorizon Funds to Rajan Vaz and (b) Releasing and Discharging the Transhorizon Claims Agent from Further Duties and Obligations under the Transhorizon Order” (the “Motion”). In support of the Motion, the Trustee shows the Court as follows:

JURISDICTION

1. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157



and 1334. This matter is a core proceeding pursuant to 28 U.S.C. §157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The predicates for the relief requested are Sections 105, 363 and 1142 of Title 11 of the United States Code (the “Bankruptcy Code”) and Rules 6004, 9014 and 9019 of the Federal Rules of Bankruptcy Procedure (“Bankruptcy Rules”), or other applicable statutes or rules.

INTRODUCTION AND BACKGROUND

2. On October 4, 2011, CDC Corporation, debtor and debtor-in-possession in the above-captioned chapter 11 case (the “Debtor” or “CDC”), filed a voluntary petition for relief under Chapter 11 of Title 11 of the Bankruptcy Code, commencing this Chapter 11 case (the “Chapter 11 Case”).

3. On May 4, 2012, Debtor filed a Notice with Respect to Sale of Non-Debtor Assets Consisting of Debtor’s Indirect Interest in OST International Corporation (“OSTI”) (Docket No. 375). In connection with the ultimate sale of such assets to Lightstone-OSTI, LLC, and pursuant to the related Contingency Fund Escrow Agreement dated July 25, 2012 (the “OSTI Escrow Agreement”), the sum of \$100,000 was placed in escrow to be held by Debtor’s counsel to satisfy any indemnification obligations owed from the seller under the sale (the “OSTI Escrow”).

4. On May 4, 2012, Debtor also filed a Notice with Respect to Sale of Non-Debtor Assets Consisting of Debtor’s Indirect Interest in DB Professionals, Inc. (“DBPI”) (Docket No. 377). In connection with the ultimate sale of such assets to Lightstone-DBPI, LLC, and pursuant to the related Contingency Fund Escrow Agreement dated July 25, 2012 (the “DBPI Escrow Agreement”), the sum of \$150,000 was placed in escrow to be held by Debtor’s counsel to satisfy any indemnification obligations owed from the seller under the sale (the “DBPI Escrow”).

5. On July 17, 2012, Debtor filed a Notice with Respect to Sale of Non-Debtor Assets Owned by Software Galeria, Inc. (“SGI”) and CDC Services, Inc. (Docket No. 492). In connection with the sale of such assets to Lightstone-SGI, LLC, and pursuant to the related Contingency Fund Escrow Agreement dated July 25, 2012 (the “SGI Escrow Agreement”), the sum of \$50,000 was placed in escrow to be held by Debtor’s counsel to satisfy any indemnification obligations owed from the seller under the sale (the “SGI Escrow”).

6. On August 7, 2012, Debtor filed a Notice with Respect to Sale of Non-Debtor Assets Owned by OST International, Inc. (Docket No. 513) for the sale of the Catalyst SAP and ET business divisions of OST International Inc. to Peak Technologies, Inc. (“Peak Technologies”). In connection with the sale of such assets to Peak Technologies and the related Contingency Fund Escrow Agreement, as amended by that certain side letter dated August 15, 2012 (the “Catalyst Escrow Agreement”), the sum of \$450,000 was placed in escrow to be held by Debtor’s counsel to satisfy any indemnification obligations owed from the seller under the sale (the “Catalyst Escrow”).

7. By Order entered September 6, 2012 (the “Confirmation Order”; Docket No. 551), the Court confirmed the Second Amended Joint Plan of Reorganization for CDC Corporation dated August 29, 2012 (as modified by the Confirmation Order, the “Plan”), which was proposed by the Debtor and the Official Committee of Equity Security Holders of CDC Corporation.

8. Paragraph TT of the Confirmation Order provides: “Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, and notwithstanding the entry of this Confirmation Order or the occurrence of the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction as provided in the Plan over all matters arising out of, and related to, the Chapter 11 Case and the Plan to the fullest extent permitted by law[.]”

9. On December 19, 2012, the Plan became effective (the “Effective Date”). Under the Plan, the CDC Liquidation Trust (“Plan Trust”) was established on the Effective Date, and the Movant, Marcus A. Watson, became the Trustee.

10. Under the Plan, substantially all of the Debtor’s assets and all property of the estate, including estate causes of action, were transferred to the Plan Trust. *See* Plan § 7.10. Additionally, the Trustee was granted authority to commence, prosecute and litigate causes of action. *See* Plan § 7.11.

11. With respect to settlements, the Plan provides that: “The Liquidation Trustee may settle or compromise any of the Causes of Action where the claim asserted exceeds \$500,000, or claims asserted for less than \$500,000 where consent of the Liquidation Trust Oversight Board has not been obtained, only with approval of the Bankruptcy Court.” *See* Plan § 7.12.

12. Rajan Vaz (“Vaz”) filed a Proof of Claim (No. 27) and a Proof of Interest (No. 128) in the Chapter 11 Case (collectively, “Vaz Claims”).

13. Pursuant to a Stipulation and Agreement dated July 17, 2012, the Debtor, as predecessor in interest to the Trustee, agreed to reserve \$10,000,000.00 from distributions to CDC’s shareholders until the Vaz Claims were adjudicated or otherwise resolved (the “Vaz Claims Reserve”).

14. Thereafter, the Trustee objected to the Vaz Claims, which has resulted in extensive litigation between Vaz and the Trustee.

15. In addition to the Vaz Claims, Vaz filed multiple objections to the sale of the Catalyst SAP and ET business divisions of OST International Inc. (the “Vaz Objections”: Docket No. 514 and 569). As a result, Peak Technologies made an indemnity demand against the Catalyst Escrow for any costs arising out of the Vaz Objections.¹

¹ Although the Vaz Objections were withdrawn by Vaz and the sale to Peak Technologies was approved by Order of the Court (Docket No. 611), the Catalyst Escrow continues to be held subject to resolution of this matter.

16. Furthermore, Lightstone-SGI, LLC, Lightstone-OSTI, LLC, and Lightstone-DBPI, LLC (collectively, “Lightstone”), which are entities owned and controlled by Vaz, have asserted claims against the SGI Escrow, the OSTI Escrow and the DBPI Escrow (collectively, the “Lightstone Escrows”) for indemnity, which have been denied by the Trustee.

17. In connection with certain of these claims, on October 23, 2014, the Trustee filed a declaratory judgment action against Vaz and Lightstone styled *Marcus A. Watson, Trustee v. Rajan Vaz, et al.*, Adv. Pro. No. 14-05338, in the Bankruptcy Court (“Declaratory Judgment Action”). Lightstone filed a counterclaim against the Plan Trust in the Declaratory Judgment Action for indemnity in connection with the purchase of assets in the Chapter 11 Case (the “Lightstone Counterclaim”). The Declaratory Judgment Action and the Lightstone Counterclaim remain pending.

18. Pursuant to an order entered in the Chapter 11 Case on September 28, 2014 [Docket No. 578] (the “Transhorizon Order”), the Bankruptcy Court established procedures for addressing the claims of former employees, creditors and governmental authorities filed (or to be filed) against Transhorizon (f/k/a CDC Global Services (India) Ltd., also known as Trans Horizon Consulting Pvt Ltd) (“Transhorizon”). SGI owns, indirectly, 100% of the interests in Transhorizon.

19. In the Transhorizon Order, the Bankruptcy Court appointed Hays Financial Consulting, LLC as the Transhorizon Claims Agent (as defined in the Transhorizon Order) and authorized the transfer of certain funds to the Transhorizon Claims Agent for the purpose of paying claims asserted against Transhorizon (the “Transhorizon Funds”). The Transhorizon Claims Agent has resolved claims of employees, but possible claims of other of Transhorizon’s creditors remain unresolved.

20. The Trustee, Vaz, Lightstone, SGI and Transhorizon (the “Parties”) have concluded that it is in their respective best interests to resolve all disputed issues and related

matters, which has resulted in their reaching a settlement and compromise of all disputes among them.

21. Because the Vaz Claims exceed \$500,000, the Trustee is filing this Motion seeking approval of the settlement in accordance with the Plan.

THE SETTLEMENT

22. The Parties have entered into a settlement, subject to approval of the Bankruptcy Court. The terms of the settlement are set forth in the Settlement Agreement attached to this Motion as Exhibit “A” (the “Settlement Agreement”). Plan Trust beneficiaries and parties in interest should refer to the Settlement Agreement for the full and complete terms of the proposed settlement.²

23. In general, the settlement provides as follows:

- a. From the Plan Trust, the Trustee will pay Vaz \$1,650,000 within three days of the Effective Date of the Settlement Agreement.
- b. The Settlement Agreement includes broad, mutual releases by the Parties, and except for the payments that may be due to Vaz as a unit holder in the Plan Trust or under the Settlement Agreement, Vaz and Lightstone disclaim any interest in any monies or assets of the Plan Trust, and release any and all claims that they may have against the Trustee and the Plan Trust.
- c. As of the Effective Date, Vaz conveys his 49% interest in SGI to the Plan Trust.
- d. The Settlement Agreement also addresses the winding up of Transhorizon. The Transhorizon Claims Agent shall remain in

²All capitalized terms used but not defined herein shall have the meanings given to them in the Settlement Agreement, and should the terms of the Motion and Settlement Agreement differ, the Settlement Agreement shall control.

place until such time as Vaz delivers to the Trustee the form of Consent and Release attached as Exhibit C to the Settlement Agreement signed by Sunder Sakhrahi, another former director of Transhorizon. If and only if the executed Consent and Release is delivered to the Trustee, Vaz will take over the remaining wind up of Transhorizon from the Transhorizon Claims Agent. In order to facilitate Vaz' future responsibility to complete the wind up Transhorizon, the remaining Transhorizon Funds will be transferred to Vaz by the Transhorizon Claims Agent; provided, however, that the remaining Transhorizon Funds, and the responsibility to complete the Transhorizon wind up, will not be transferred to Vaz if the Consent and Release is not delivered to the Trustee on or before December 31, 2015. If this condition is not met, the Transhorizon Claims Agent will continue the wind up of Transhorizon pursuant to the Transhorizon Order.

- e. Approval of the settlement as provided for in the Settlement Agreement will result in entry of orders dismissing with prejudice the Vaz Claims, the Declaratory Judgment Action and the Lightstone Counterclaim.

RELEASE OF ESCROWED FUNDS

24. As set forth above, the Settlement Agreement releases any indemnity claims made by Vaz or Lightstone. As a result, any claims made by Vaz or Lightstone against the Lightstone Escrows will be released and satisfied owing to the settlement. No other claims have been asserted against the Lightstone Escrows.

25. Additionally, as a result of the Settlement Agreement, the indemnity claim made by Peak Technologies against the Catalyst Escrow owing to Vaz Objections is fully resolved. No other claims have been asserted against the Catalyst Escrow.

26. Pursuant to the SGI Escrow Agreement, the OSTI Escrow Agreement, the DBPI Escrow Agreement, and the Catalyst Escrow Agreement (collectively, the “Escrow Agreements”), as a result of the indemnity claims made against the underlying escrows, the funds held in each escrow cannot be released absent written agreement of the parties or an order of a court of competent jurisdiction authorizing disbursement of the funds.³ Since all claims to the Lightstone Escrows and the Catalyst Escrow have now been resolved, the funds should be released.

27. Accordingly, due to the Settlement Agreement, the Trustee, by this Motion and after providing notice as set forth below, seeks entry of an order authorizing Lamberth, Cifelli, Ellis & Nason, P.A., as escrow agent under the Escrow Agreements (“LCEN”),⁴ to release the funds in the Lightstone Escrows and the Catalyst Escrow to the Plan Trust.

RATIONALE FOR SETTLEMENT

28. The Trustee, in the exercise of his business judgment, and with the approval of the Liquidation Trust Oversight Board and the support of the large holders of beneficial interests in the Plan Trust who remain in periodic contact with the Trustee, has concluded that the settlement is in the best interests of the estate and the beneficiaries of the Plan Trust for a variety of reasons, including, but not limited to, the following:

- a. The Plan Trust’s litigation with Vaz has already been protracted and costly. Under the settlement, while the Trustee and his counsel believe

³Each of the parties to the Escrow Agreements agreed to the jurisdiction of the Bankruptcy Court by specific incorporation of jurisdictional provisions in the underlying asset purchase agreements with respect to the asset sales.

⁴ LCEN is formerly known as Lamberth, Cifelli, Stokes, Ellis & Nason, P.A., which is referenced in the Escrow Agreements.

that there are strong defenses to the Vaz Claims, the Plan Trust will avoid incurring the cost of a trial and avoid potential lengthy appeals (which could consume a year or longer) regarding the Vaz Claims and the Declaratory Judgment Action. As a result of the settlement, more than \$8,300,000 held in the Vaz Claims Reserve which would otherwise stay in the Vaz Claims Reserve throughout the appeals process will no longer be subject to restrictions and will become general assets of the Plan Trust for distribution in accordance with the terms of the Plan and the Liquidation Trust Agreement;

- b. Lightstone will release all claims to the \$300,000 held in the Lightstone Escrows so that those funds will also no longer be subject to restrictions and will become general assets of the Plan Trust for distribution in accordance with the terms of the Plan and the Liquidation Trust Agreement;
- c. The indemnity claim of Peak Technologies against the \$450,000 held in the Catalyst Escrow owing to Vaz Objections are fully resolved so that those funds will also no longer be subject to restrictions and will become general assets of the Plan Trust for distribution in accordance with the terms of the Plan and the Liquidation Trust Agreement; and,
- d. A substantial portion of the cash in the Plan Trust will be available for distribution to unit holders.

COMPROMISE AND SETTLEMENT

29. The approval of a compromise and settlement in a bankruptcy case is within the sound discretion of this Court and will not be disturbed or modified on appeal unless approval or disapproval of the settlement is an abuse of discretion. Rivercity v. Herpel (In re Jackson

Brewing Co.), 624 F.2d 599, 602-03 (5th Cir. 1980). In order to exercise its discretion properly, the Court must consider whether the compromise suggested falls below the “lowest point in the range of reasonableness.” Anaconda-Ericsson, Inc. v. Hessen (In re Teltronics Servs. Inc.), 762 F.2d 185, 189 (2d Cir. 1985).

30. The standard in the Eleventh Circuit for determining whether to approve a compromise under Rule 9019(a) is articulated in Wallis v. Justice Oaks II, Ltd. (In re Justice Oaks II, Ltd.), 898 F.2d 1544 (11th Cir. 1990), *cert. denied*, 498 U.S. 959 (1990):

When a bankruptcy court decides whether to approve or disapprove a proposed settlement, it must consider:

- (a) The probability of success in the litigation; (b) the difficulties, if any, to be encountered in the matter of collection; (c) the complexity of the litigation involved, and the expense, inconvenience and delay necessarily attending it; (d) the paramount interest of the creditors and a proper deference to their reasonable views in the premises.

Id. at 1549. In making the evaluation, a court must not rest its approval of the settlement on a resolution of the ultimate factual and legal issues underlying the compromised disputes.

Teltronics, supra, 762 F.2d at 189. Rather, the court should consider the probable outcome of the litigation, including its advantages and disadvantages, and make a pragmatic decision based on all equitable factors. Florida Trailer and Equip. Co. v. Deal, 284 F.2d 567, 571 (5th Cir. 1960).

31. Bankruptcy Rule 9019(a) provides, in pertinent part, that “[o]n motion by the trustee and after notice and a hearing, the court may approve a compromise or settlement.” To assure that compromise is proper in a given case, a court should be apprised of the necessary facts for an intelligent, objective and educated evaluation and compare the “terms of the compromise with the likely rewards of litigation.” Protective Comm. for Indep. Stockholders of TMT Trailer Ferry. Inc. v. Anderson, 390 U.S. 414, 424-25 (1968).

32. This Court is very familiar with the fundamental issues in dispute between the Parties, having decided various motions and conducted a number of hearings and status conferences in the course of the litigation between them. Despite granting partial summary judgment to the Trustee and Vaz's affirmative withdrawal of material aspects of the Vaz Claims, significant issues remain to be litigated, including:

- a. whether CDC engaged in unlawful oppression of Vaz's minority ownership interest in SGI;
- b. whether certain CDC subsidiaries should have been included as subsidiaries and assets of SGI;
- c. whether Vaz is entitled to compensation in connection with certain acquisitions made by CDC and/or SGI subsequent to CDC's purchase from Vaz of CDC's interest in SGI; and,
- d. whether Vaz's employment with SGI was wrongfully terminated.

33. For the reasons set forth in Paragraph 28, above, the Trustee believes that the requirements of Bankruptcy Rule 9019 are met.

NOTICE

34. The Trustee intends to give notice of the Motion and any hearing thereon (the "Motion Hearing") to: (i) those parties who have filed requests for notice in this case; (ii) any party entitled to notice under the transactional documents with respect to the sales of non-debtor assets related to the Lightstone Escrows or the Catalyst Escrow; (iii) Hays Financial Consulting, LLC, as Transhorizon Claims Agent, and counsel of Sunder Sakhrahi, a former director of Transhorizon; and, (iv) the United States Trustee. The Trustee will also post a copy of this Motion and of the Notice of Hearing regarding this Motion on its website:

<http://www.cdcliquidationtrust.com/cdcliquidationtrust>. This method of providing notice to parties in interest has been previously been approved by this Court in this case, and the Trustee

submits that the foregoing is sufficient notice of the Motion and the Motion Hearing.

RELIEF FROM BANKRUPTCY RULE 6004(h)

35. The Trustee requests that the Court make effective, upon entry, any Order entered granting the relief sought in this Motion and abrogate any stay that may otherwise arise under Bankruptcy Rule 6004(h).

WHEREFORE, the Trustee respectfully requests that the Court:

- (A) Grant the Motion in all respects;
- (B) Approve the Settlement Agreement and authorize and direct the Trustee, Vaz and the Transhorizon Claims Agent to carry out the actions needed to consummate the settlement thereunder;
- (C) Authorize LCEN, as escrow agent, to the release of the funds in the Lightstone Escrows and the Catalyst Escrow to the Plan Trust;
- (D) Authorize the termination of the Vaz Claims Reserve with respect to the Vaz Claims;
- (E) Authorize the Transhorizon Claims Agent to transfer the Transhorizon Funds to Vaz upon timely satisfaction of the precondition to the transfer pertaining to execution of the Consent and Release by Sunder Sakhrahi;
- (F) Discharge and release the Transhorizon Claims Agent from any further duties and obligations under the Transhorizon Order in the event that the Transhorizon Funds are transferred to Vaz;
- (G) Direct that the Order approving this Motion is effective upon entry and is not stayed under Bankruptcy Rule 6004(h); and

(H) Grant to the Trustee such other and further relief as is just and proper.

Dated: September 15, 2015.

Respectfully submitted,

TROUTMAN SANDERS LLP

By: /s/ J. David Dantzler, Jr.

Jeffrey W. Kelley

J. David Dantzler, Jr.

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*Attorneys for Marcus A. Watson, Trustee
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EXHIBIT "A"
Settlement Agreement

SETTLEMENT AGREEMENT

This Settlement Agreement (the “Agreement”) is dated as of September 10, 2015, and entered into pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). This Agreement is made by and among RajanVaz (“Vaz”); Lightstone-SGI, LLC, Lightstone-OSTI, LLC, and Lightstone-DBPI, LLC (collectively, “Lightstone”); and Marcus A. Watson, as Liquidation Trustee under the confirmed Chapter 11 Plan of CDC Corporation (“Trustee”) (collectively, the “Parties,” or each, individually, a “Party”).

RECITALS

WHEREAS, on October 4, 2011, CDC Corporation (“CDC” or “Debtor”) filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the “Bankruptcy Court”), commencing Case No. 11-79079 (the “Chapter 11 Case”); and,

WHEREAS, Vaz filed a Proof of Claim (No. 27) and a Proof of Interest (No. 128) in the Chapter 11 Case (collectively, “Vaz Claims”); and,

WHEREAS, pursuant to a Stipulation and Agreement dated July 17, 2012 (the “Vaz Stipulation”), the Debtor, as predecessor in interest to the Trustee, agreed to reserve \$10,000,000.00 from distributions to CDC’s shareholders until the Vaz Claims were adjudicated or otherwise resolved; and,

WHEREAS, the Trustee is the trustee for the trust (the “Plan Trust”) established pursuant to the Second Amended Joint Plan of Reorganization dated August 29, 2012 (as amended by the confirmation order dated September 6, 2012, the “Plan”); and,

WHEREAS, the Trustee has objected to the Vaz Claims, which has resulted in extensive litigation between the Trustee and Vaz; and,

WHEREAS, the Trustee filed a declaratory judgment action against Vaz styled *Marcus A. Watson, Trustee v. Rajan Vaz*, Adv. Pro. No. 14-05338, in the Bankruptcy Court (the “Declaratory Judgment Action”); and,

WHEREAS, Lightstone filed a counterclaim against the Plan Trust in the Declaratory Judgment Action for indemnity in connection with the purchase of assets in the Chapter 11 Case (the “Lightstone Counterclaim”); and,

WHEREAS, in connection with the sale of certain assets of Software Galeria, Inc., a New Jersey corporation, (“SGI”) and CDC Services, Inc. to Lightstone-SGI, LLC, and pursuant to the related Contingency Fund Escrow Agreement dated July 25, 2012 (the “SGI Escrow Agreement”), the sum of \$50,000 was placed in escrow to be held by Debtor’s counsel to satisfy any indemnification obligations owed from the seller under the sale (the “SGI Escrow”); and,

WHEREAS, Vaz has, directly and indirectly, asserted claims for indemnity against the Debtor, which have been denied by the Trustee; and,

WHEREAS, Vaz owns forty-nine percent (49%) of the shares (the “**Vaz SGI Shares**”) of SGI, and the Debtor, through subsidiaries, owns the other fifty-one percent (51%) of the shares of SGI; and,

WHEREAS, pursuant to an order entered in the Chapter 11 Case on September 28, 2012 [Docket No. 578] (the “**Transhorizon Order**”), the Bankruptcy Court established procedures for addressing the claims of former employees, creditors and governmental authorities filed (or to be filed) against Transhorizon (f/k/a CDC Global Services (India) Ltd., also known as Trans Horizon Consulting Pvt Ltd) (“**Transhorizon**”); and,

WHEREAS, SGI, through a subsidiary, owns one hundred percent (100%) of the shares of Transhorizon; and,

WHEREAS, in the Transhorizon Order, the Bankruptcy Court appointed Hays Financial Consulting, LLC as the Transhorizon Claims Agent (as defined in the Transhorizon Order) and authorized the transfer of certain funds to the Transhorizon Claims Agent for the purpose of paying claims asserted against Transhorizon (the “**Transhorizon Funds**”); and,

WHEREAS, the Transhorizon Claims Agent has resolved claims of employees, but possible claims of other of Transhorizon’s creditors remain unresolved; and,

WHEREAS, the Parties have concluded that it is in their respective best interests to resolve all disputed issues and related matters on the terms set forth in this Agreement; and,

WHEREAS, the Trustee believes that the compromise and settlement provided herein is fair and reasonable, and in the best interests of the beneficiaries of the Plan Trust;

NOW, THEREFORE, the Parties, in consideration of the premises, covenants, and agreements provided for herein and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree as follows, subject to Bankruptcy Court approval:

ARTICLE I **SETTLEMENT TERMS**

Section 1.1 **Settlement Payment.** Within three business days after the Effective Date (as defined below), the Trustee shall make payment to Vaz in the amount of \$1,650,000.00 via wire transfer to Robinson Brog Leinwand Greene Genovese & Gluck P.C., as attorneys for Vaz (“**Robinson Brog**”). From these funds, Robinson Brog is authorized to pay attorneys fees and other professional fees incurred by Vaz, as well as other outstanding expenses of litigation, with the balance being turned over to Vaz.

Section 1.2 **Dismissal of Vaz Claims/Disclaimer/Acknowledgement by Vaz.** Vaz stipulates and agrees to the entry of an Order by the Bankruptcy Court substantially in the form attached hereto as **Exhibit A** (the “**9019 Order**”), which, *inter alia*, dismisses the Vaz Claims with prejudice. Moreover, except for: (i) the payments and other transfers of money provided for in this Agreement; and, (ii) any distribution(s) to Vaz from the Plan Trust as a holder of a Beneficial Interest in the Plan Trust, Vaz and Lightstone disclaim, waive, discharge and forever

abandon any direct or indirect interest, right or other claim to any monies or other assets of the Plan Trust or any other money or asset under the direct or indirect control of the Trustee. Furthermore, Vaz acknowledges that as of the Effective Date, the \$10 million held in reserve pursuant to the Vaz Stipulation with respect to the Vaz Claims will no longer be held in reserve and will be released from the Disputed Claims Reserve (as defined in the Plan) and distributed in accordance with the Plan.

Section 1.3 Dismissal of Declaratory Judgment Action and Lightstone

Counterclaim. As of the Effective Date, the Trustee and Lightstone stipulate pursuant to Rule 7041 of the Federal Rules of Bankruptcy Procedure to entry of an Order substantially in the form attached hereto as **Exhibit B**, dismissing the Declaratory Judgment Action and the Lightstone Counterclaim with prejudice.

**ARTICLE II
RELEASES**

Section 2.1 Release of Vaz by the Trustee, Plan Trust and Debtor. As of the Effective Date, the Trustee, on behalf of himself, his successors and assigns, as well as on behalf of CDC and the Plan Trust, and any other person that claims or might claim through, on behalf of, or for the benefit of any of the foregoing, whether directly or derivatively, (collectively, “**Estate Releasors**”) irrevocably and unconditionally, fully, finally, and forever waives, releases, acquits, and discharges Vaz and Lightstone, their respective heirs, successors and assigns, as well as their attorneys and other professionals, (“**Estate Releasees**”) from any and all claims, demands, rights, liabilities, or causes of action of any and every kind, character, or nature whatsoever, in law or in equity, known or unknown, whether asserted or unasserted, which the Estate Releasors, or any of them, or anyone claiming through them, on their behalf or for their benefit, have or may have or claim to have, now or in the future, against any of the Estate Releasees, upon, or by reason of any manner, cause or thing whatsoever from the beginning of the world to the Effective Date, including but not limited to any claims that have been or could be brought by CDC, its bankruptcy estate, the Trustee, the Plan Trust, or any beneficiary of the Plan Trust, whether such claims have been, could have been or could be brought in the Chapter 11 Case, itself, or as part of a plan of reorganization or liquidation, including but not limited to claims for damages, costs or fees incurred by the Estate Releasors.

Section 2.2 Releases of the Trustee, the Plan Trust, the Debtor by Vaz and Lightstone. As of the Effective Date, Vaz and Lightstone on behalf of their respective heirs, successors and assigns, as well as on behalf of any corporation or other entity controlled by Vaz, any other person that claims or might claim through, on behalf of, or for the benefit of any of the foregoing, whether directly or derivatively, (collectively, “**Vaz Releasors**”) irrevocably and unconditionally, fully, finally, and forever waive, release, acquit, and discharge the Plan Trust and the Trustee, his successors and assigns, his attorneys and other professionals, as well as CDC and each of its current and former direct and indirect subsidiaries and their respective current and former directors, officers and employees, (collectively, “**Vaz Releasees**”) from any and all claims, demands, rights, liabilities, or causes of action of any and every kind, character, or nature whatsoever, in law or in equity, known or unknown, whether asserted or unasserted, which the Vaz Releasors, or any of them, or anyone claiming through them, on their behalf or for their benefit, have or may have or claim to have, now or in the future, against any of the Vaz

Releasees, upon, or by reason of any manner, cause or thing whatsoever from the beginning of the world to the Effective Date, including but not limited to any claims that have been or could be asserted by any Vaz Releasor against CDC and/or its direct and indirect subsidiaries, its bankruptcy estate, the Trustee, the Plan Trust, or any beneficiary of the Plan Trust, whether such claims have been, could have been or could be brought in the Chapter 11 Case, itself, or as part of a plan of reorganization or liquidation, including but not limited to claims for damages, costs or fees incurred by the Vaz Releasors. This release specifically includes, but is not limited to, claims that were or could have been asserted in the Vaz Claims, as well as any claim for indemnity or contribution that Vaz or Lightstone may have against the Trustee, the Plan Trust, CDC, SGI or any their respective subsidiaries, current and former directors, officers and employees.

Section 2.3 **Obligations Not Released.** Notwithstanding Sections 2.1 and 2.2 above, no party is released from its obligations as provided for in this Settlement Agreement. Moreover, Vaz has not released or disclaimed his right to receive any distribution(s) from the Plan Trust as a holder of a Beneficial Interest in the Plan Trust.

ARTICLE III **CONVEYANCE OF SGI/WINDING UP TRANSHORIZON**

Section 3.1 **Conveyance of Vaz Interest in SGI.** As of the Effective Date, Vaz conveys and assigns to the Plan Trust the Vaz SGI Shares and expressly disclaims, waives, discharges and forever abandons any legal, equitable or other interest in SGI. In addition, as of the Effective Date:

- (a) Vaz resigns as a director of SGI and disclaims any right or other authority to exercise any control over SGI or act on behalf of SGI, except in connection with the assignment provided for in Subsection 3.1 (e), below.
- (b) Vaz hereby consents to and ratifies all actions taken by the Trustee, Joseph Stutz and John Clough and their respective predecessors in interest, with respect to or on behalf of SGI and its subsidiaries.
- (c) To the fullest extent necessary or required, Vaz consents to the dissolution of SGI.
- (d) To the fullest extent necessary or required to effect the dissolution and winding up of SGI's business affairs, Vaz appoints the Trustee as his proxy to vote and otherwise represent any interest that Vaz may have in SGI or any of its subsidiaries and revokes any prior proxy granted by him in connection with his ownership or other interests in SGI.
- (e) The Trustee disclaims any interest that the Plan Trust or SGI may have in a default judgment obtained (or any other interest) in litigation styled *Rajan Vaz, et. al. v. Haribabu Motupalli, et. al.*, Docket No.: C-188-13, in the Superior Court of Essex County, New Jersey, Chancery Division, and, to the fullest extent necessary, assigns to Vaz any claim or other right that has been or could be asserted on behalf of SGI in that litigation.

- (f) The SGI Escrow in the amount of fifty-thousand dollars (\$50,000.00) currently held by Lamberth, Cifelli, Ellis & Nason, P.A., as escrow agent (the “Escrow Agent”), pursuant to the SGI Escrow Agreement, shall, upon the Effective Date, be released by the Escrow Agent and transferred to the Plan Trust. Vaz and Lightstone disclaim any claim to or in the SGI Escrow that either of them may have.

Section 3.2 Winding Up of Transhorizon. As a former director of Transhorizon, Vaz shall be responsible for resolving any outstanding claims of Transhorizon’s creditors and, to the extent necessary, the winding up of Transhorizon, subject to the terms and conditions of this Section 3.2.

- (a) On the later of three days after the Effective Date, or such date as Vaz delivers to the Trustee an executed original version of the “Consent and Release of Sunder Sakhrani” in the form attached hereto as **Exhibit C**, the Transhorizon Claims Agent shall transfer to Vaz the remaining Transhorizon Funds, as of the date of such delivery, after all fees and expenses of the Transhorizon Claims Agent have been paid or reserved for payment subject to review and objection as provided for in that certain Order dated September 29, 2012 [Docket No. 578], along with an accounting of claims, expenses and professional fees paid as of that date. For avoidance of doubt, the Transhorizon Claims Agent shall not transfer any money to Vaz unless and until the Trustee has received the express, written consent to this transfer from Sunder Sakhrani in the form attached hereto as **Exhibit C** or such other form that the Trustee, in his sole discretion, deems satisfactory.
- (b) On the later of the Effective Date or such date that an executed original version of the “Consent and Release of Sunder Sakhrani” is delivered to the Trustee in accordance with Section 3.2(a), above, the Estate Releasors and the Vaz Releasors hereby release the Transhorizon Claims Agent from any and all claims arising from or related to the performance of its obligations under the Transhorizon Order and agree to its full and complete discharge upon transferring the Transhorizon Funds to Vaz in accordance with subparagraph 3.2(a), above.
- (c) On the later of the Effective Date or such date that an executed original version of the “Consent and Release of Sunder Sakhrani” is delivered to the Trustee in accordance with Section 3.2(a), above, the Trustee disclaims any right that he or the Plan Trust may have to the Transhorizon Funds.
- (d) On the later of the Effective Date or such date that an executed original version of the “Consent and Release of Sunder Sakhrani” is delivered to the Trustee in accordance with Section 3.2(a), above, the Trustee consents, to the fullest extent necessary or required, to the dissolution of Transhorizon.

- (e) On the later of the Effective Date or such date that an executed original version of the “Consent and Release of Sunder Sakhrani” is delivered to the Trustee in accordance with Section 3.2(a), above, the Trustee, to the fullest extent necessary or required to effect the dissolution and winding up of Transhorizon’s business affairs, appoints Vaz as his proxy to vote and otherwise represent any interest that the Plan Trust may have in Transhorizon.
- (f) The Parties expressly acknowledge and agree that Transhorizon is an Estate Releasee and Vaz Releasor in the releases provided for Sections 2.1 and 2.2, above.
- (g) Unless and until the delivery of an executed original version of the “Consent and Release of Sunder Sakhrani” in accordance with Section 3.2(a), above, the Transhorizon Claims Agent shall remain in place and shall, in consultation with Vaz and the Trustee, continue to wind up Transhorizon in accordance with the provisions of the Transhorizon Order. If the executed “Consent and Release of Sunder Sakhrani” is not delivered to the Trustee on or before December 31, 2015, Vaz will not assume responsibility for the winding up of Transhorizon, and the Transhorizon Claims Agent will conclude the process as provided for in the Transhorizon Order, and Sections 3.2(b), 3.2(c), 3.2(d) and 3.2(e) above shall be of no effect.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

Section 4.1 **Representations and Warranties of the Trustee.** The Trustee hereby represents and warrants that:

- (a) subject to any necessary approval by the Bankruptcy Court, he has full requisite power and authority to execute and deliver this Agreement and to perform his obligations under this Agreement, and the execution, delivery and performance hereof, and the instruments and documents required to be executed by him in connection therewith, (i) have been duly and validly authorized by him and (ii) are not in contravention of the organization documents of the Plan Trust or any material agreement specifically applicable to him or to which he is a party, as Trustee;
- (b) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against him which would adversely affect his ability to enter into this Agreement or to perform his obligations hereunder; and
- (c) he, directly or indirectly, and subject to approval by the Bankruptcy Court, has the power and authority to bind the Plan Trust to the

terms of this Agreement or otherwise has been duly authorized to execute and deliver this Agreement on its behalf.

Section 4.2 **Representations and Warranties of Vaz and Lightstone.** Vaz and Lightstone hereby represents and warrants that:

- (a) Vaz has full requisite power and authority to execute and deliver this Agreement on behalf of himself and Lightstone and to perform his obligations and those of Lightstone under this Agreement, and the execution, delivery and performance hereof, and the instruments and documents required to be executed by him in connection herewith, (i) have been duly and validly authorized and (ii) are not in contravention of any material agreement specifically applicable to him or to which he is a party; and
- (b) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against him or Lightstone which would adversely affect his or Lightstone's ability to enter into this Agreement or to perform their obligations hereunder.

Section 4.3 **Additional Representations.** Each of the Parties represents and acknowledges that:

- (a) in executing this Agreement, such Party does not rely, and has not relied, upon any representation or statement made by any other Party or any of such other Party's representative, agents, or attorneys, with regard to the subject matter, basis, or effect of this Agreement or otherwise, other than as may be stated specifically in this Agreement;
- (b) in executing this Agreement, such Party has relied entirely upon such Party's own judgment, beliefs, and interest and upon the advice of its counsel and that such Party has had a reasonable period of time to consider the terms of this Agreement before entering into it;
- (c) such Party has reviewed this Agreement and fully understands and voluntarily accepts all of the provisions contained herein; and,
- (d) this Agreement is the product of negotiations among the Parties hereto and that any rule of construction as to ambiguities being resolved against the drafting party shall not apply in the interpretation of this Agreement.

ARTICLE V COURT APPROVAL

Section 5.1 **Bankruptcy Court Approval Required.** This Agreement is subject to approval of the Bankruptcy Court and shall only be effective upon the Effective Date as set forth in Section 6.1, below.

Section 5.2 **Covenants of the Trustee.** The Trustee hereby covenants that he will take all actions reasonably necessary to obtain, and shall take no action to impede or preclude, Bankruptcy Court approval of this Agreement. Further, the Trustee shall promptly seek Bankruptcy Court approval of the terms hereof as a compromise motion pursuant to Bankruptcy Rule 9019 (the “**9019 Motion**”), and the 9019 Motion shall be filed within five (5) business days after each of the Parties signs this Agreement, with a hearing scheduled as soon as reasonably possible thereafter. Trustee will also submit a proposed Order approving the 9019 Motion substantially in the form attached hereto as **Exhibit A.**

Section 5.3 **Covenants of Vaz.** Vaz will take all reasonable actions necessary to support the 9019 Motion, as well as any other motion, stipulation or application filed by the Trustee or Vaz for the purpose of implementing the provisions of this Agreement.

ARTICLE VI EFFECTIVE DATE AND TERMINATION

Section 6.1 **Effective Date.** This Agreement shall become effective on the first date on which each of the following has occurred (“**Effective Date**”):

- (a) **Execution.** This Agreement has been fully executed; and,
- (b) **Bankruptcy Court Approval.** This Agreement has been approved by order of the Bankruptcy Court substantially in the form attached hereto as Exhibit A, which has become final.

Section 6.2 **Termination Date.** If this Agreement is not approved by the Bankruptcy Court by October 27, 2015, unless such date is extended by a writing signed by each Party (the “**Termination Date**”), then this Agreement shall terminate and become null and void, subject to and in accordance with Section 6.3 below, and the Parties shall be returned to the *status quo ante* as if this Agreement had never been executed.

Section 6.3 **Effect of Termination.** In the event that this Agreement terminates as set forth in Section 6.2, then:

- (a) the Parties shall be restored to their respective positions as of the date of this Agreement with all of their respective claims and defenses, preserved as they existed on that date;
- (b) the Parties shall take such steps and file such documents as are necessary to cause such claims and defenses to be restored; and

- (c) except for the provisions of this Section 6.3, the terms and provisions of this Agreement shall be null and void and shall have no further force or effect with respect to the Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose.

ARTICLE VII **MISCELLANEOUS PROVISIONS**

Section 7.1 **Good Faith.** The Parties agree that this Agreement was negotiated in good faith and reflects a compromise and settlement that was reached voluntarily in consultation with their respective legal counsel.

Section 7.2 **Amendments.** This Agreement may be amended or modified only by a written instrument signed by all Parties or by their respective successors-in-interest.

Section 7.3 **No Admission.** This Agreement is entered into in settlement and compromise of disputed claims. It is not intended to be and should not be construed to be an admission by any Party that it is liable to the other for any reason whatsoever and, in fact, any such claim of liability is expressly denied.

Section 7.4 **Recitals Not Binding.** The recitals set forth in the Agreement shall not constitute binding admissions, statements against interest, or be admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion, or allegation of any kind or nature whatsoever, except that the recitals can be used in connection with a proceeding seeking to approve and/or enforce this Agreement.

Section 7.5 **Counterparts.** This Agreement may be executed by facsimile, PDF or other electronic format and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Each Party shall cause his counsel to exchange among themselves original signed counterparts. A complete set of executed counterparts shall be filed with the Bankruptcy Court.

Section 7.6 **Successors.** This Agreement shall be binding upon, and inure to the benefit of, the successors of the Parties. Without limiting the generality of the forgoing, as of the Effective Date, Vaz hereby ratifies and affirms the execution of this Agreement by SGI and Transhorizon.

Section 7.7 **Jurisdiction.** The Bankruptcy Court shall retain exclusive jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and each Party submits to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

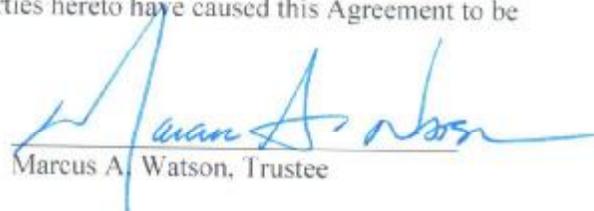
Section 7.8 **Further Assurances.** Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action

as the other Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

Section 7.9 **Governing Law.** This Agreement and any exhibits hereto shall be considered to have been negotiated, executed, and delivered, and to be wholly performed, in the State of Georgia, and the rights and obligations of the Parties to this Agreement shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of Georgia without giving effect to that state's choice of law principles.

Section 7.10 **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties and no representations, warranties, or inducements have been made to any Party concerning this Agreement other than the representations, warranties, and covenants contained and memorialized in this Agreement. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each Party or believed by such Party to be true; each Party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date set forth above.



Marcus A. Watson, Trustee

Rajan Vaz

Lightstone-SGI, LLC

By: _____

Title: _____

as the other Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

Section 7.9 Governing Law. This Agreement and any exhibits hereto shall be considered to have been negotiated, executed, and delivered, and to be wholly performed, in the State of Georgia, and the rights and obligations of the Parties to this Agreement shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of Georgia without giving effect to that state's choice of law principles.

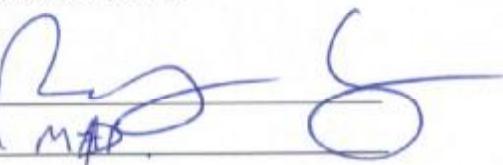
Section 7.10 Entire Agreement. This Agreement constitutes the entire agreement between the Parties and no representations, warranties, or inducements have been made to any Party concerning this Agreement other than the representations, warranties, and covenants contained and memorialized in this Agreement. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each Party or believed by such Party to be true; each Party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date set forth above.

Marcus A. Watson, Trustee


Rajan Vaz

Lightstone-SGI, LLC

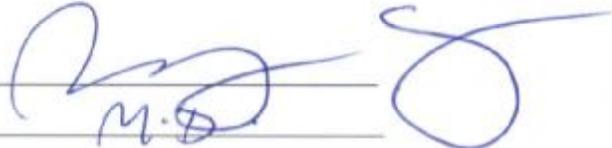
By: 
Title: MAP

Lightstone-OSTI, LLC

By: 

Title: M. D. Hays

Lightstone-DBPI, LLC

By: 

Title: M. D. Hays

AND, as to Section 3.2:

TRANSHORIZON CLAIMS AGENT

HAYS FINANCIAL CONSULTING, LLC
S. Gregory Hays, Managing Principal

Lightstone-OSTI, LLC

By: _____
Title: _____

Lightstone-DBPI, LLC

By: _____
Title: _____

AND, as to Section 3.2:

TRANSHORIZON CLAIMS AGENT

HAYS FINANCIAL CONSULTING, LLC
S. Gregory Hays, Managing Principal

EXHIBIT A TO SETTLEMENT AGREEMENT

9019 Order

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

IN RE: : CHAPTER 11
CDC CORPORATION, : CASE NO. 11-79079
Debtor. : JUDGE BONAPFEL

**ORDER PURSUANT TO RULE 9019(a) OF THE FEDERAL RULES OF
BANKRUPTCY PROCEDURE (I) AUTHORIZING AND APPROVING SETTLEMENT
AGREEMENT BY AND AMONG MARCUS A. WATSON, AS LIQUIDATION
TRUSTEE FOR THE CDC LIQUIDATION TRUST, SOFTWARE GALERIA, INC. AND
RAJAN VAZ AND CERTAIN VAZ AFFILIATED ENTITIES, (II) AUTHORIZING
RELEASE OF ESCROWED FUNDS TO THE CDC LIQUIDATION TRUST ARISING
FROM ASSET SALES OBJECTED TO BY RAJAN VAZ OR INVOLVING CERTAIN
VAZ AFFILIATED ENTITIES, AND (III) CONDITIONALLY (A) AUTHORIZING
RELEASE OF THE REMAINING TRANSHORIZON FUNDS TO RAJAN VAZ AND (B)
RELEASING AND DISCHARGING THE TRANSHORIZON CLAIMS AGENT FROM
FURTHER DUTIES AND OBLIGATIONS UNDER THE TRANSHORIZON ORDER**

This matter is before the Court on the Motion for Entry of an Order Pursuant to Rule 9019(a) of the Federal Rules of Bankruptcy Procedure (i) Authorizing and Approving Settlement

Agreement Among Marcus A. Watson, as Liquidation Trustee for the CDC Liquidation Trust, and Rajan Vaz and Certain Vaz Affiliated Entities, (ii) Authorizing Release of Escrowed Funds to the CDC Liquidation Trust Arising from Asset Sales Objected to by Rajan Vaz or Involving Certain Vaz Affiliated Entities” and (iii)) Conditionally (a) Authorizing Release of the Remaining Transhorizon Funds to Rajan Vaz and (b) Releasing and Discharging the Transhorizon Claims Agent from Further Duties and Obligations under the Transhorizon Order” (the “Motion”). All capitalized terms used but not defined herein shall have the meanings given to them in the Motion and Settlement Agreement (as defined below), and should the terms of the Motion and Settlement Agreement differ, the Settlement Agreement shall control.

The Court has considered the Motion and the matters reflected in the record of the hearing held on the Motion. It appears that the Court has jurisdiction over this proceeding; that appropriate and sufficient notice of the Motion has been given; that the relief sought in the Motion is in the best interests of the Plan Trust, the estate, and the creditors and interest holders, who are beneficiaries of the Plan Trust; and that good and sufficient cause exists for such relief.

Accordingly, it is hereby ORDERED as follows:

1. The Motion is GRANTED.
2. The Settlement Agreement by and among the Trustee, Rajan Vaz, Lightstone, SGI and Transhorizon, which is attached to the Motion (the “Settlement Agreement”), is approved pursuant to Bankruptcy Rule 9019.
3. The Trustee and the Plan Trust are authorized and directed to take any and all actions as may be reasonably necessary and appropriate to consummate the settlement as provided for in the Settlement Agreement.

4. The Vaz Claims Reserve is hereby terminated, and the funds held therein may be used by the Trustee in accordance with the terms of the Plan and the Liquidation Trust Agreement governing the Plan Trust.

5. Any indemnity claims of Vaz and Lightstone against the Lightstone Escrows are released and satisfied. Similarly, any indemnity claims of Peak Technologies against the Catalyst Escrow are fully resolved. Accordingly, Lamberth, Cifelli, Ellis & Nason, P.A., as escrow agent under the Escrow Agreements, is authorized to release to the Plan Trust all funds held in the Lightstone Escrows and the Catalyst Escrow, with this Order constituting an order of a court of competent jurisdiction authorizing the disbursement of the funds under the Escrow Agreements for release of the funds.

6. Upon delivery on or before December 31, 2015, by Vaz to the Trustee of an executed original version of the “Consent and Release of Sunder Sakhrahi,” in the form attached as Exhibit C to the Settlement Agreement:

- a. The remaining Transhorizon Funds, as of the date of such delivery, after all fees and expenses of the Transhorizon Claims Agent have been paid or reserved for payment subject to review and objection as provided for in that certain Order dated September 29, 2012 [Docket No. 578] (the “Transhorizon Order”), shall be transferred to Vaz by the Transhorizon Claims Agent;
- b. Vaz shall be responsible for resolving any outstanding claims of Transhorizon’s creditors and, to the extent necessary, the winding up of Transhorizon;
- c. Vaz be responsible for continuing or terminating the engagement of any professionals in India engaged by the Transhorizon Claims Agent; and,

d. The Transhorizon Claims Agent, in consultation with Vaz shall: (i) deliver to Vaz any and all Transhorizon records deemed relevant and useful to winding up Transhorizon; and, (ii) destroy any Transhorizon records not delivered to Vaz.

7. Upon completion of the acts described in Paragraph 6(a) and (d), above, the Transhorizon Claims Agent shall be and is relieved and discharged from any further duties and obligations under the Transhorizon Order. Neither the Tanshorizon Claims Agent nor any agent, employee, member, officer, independent contractor, attorney or representative of the Transhorizon Claims Agent shall have any liability to any person, entity or governmental agency for any action taken (or not taken) in good faith in connection with the performance of the duties and other tasks provided for in the Transhorizon Order. If, however, Mr. Sakhrani's executed Consent and Release has not been delivered to the Trustee on or before December 31, 2015, then Paragraphs 6 and 7 of this Order shall have no force or effect.

8. This Order and the Settlement Agreement are binding on the bankruptcy estate and the signatory parties' successors and assigns, any Chapter 7 or 11 trustee at any time hereafter appointed, the Plan Trust, the Trustee, and any plan administrator.

9. This Order is effective upon entry and is not stayed under Bankruptcy Rule 6004(h).

10. The Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

Prepared and Submitted By:

Dated: September ____, 2015
Atlanta, Georgia

TROUTMAN SANDERS LLP

By: /s/ J. David Dantzler, Jr.
Jeffrey W. Kelley
J. David Dantzler, Jr.
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Atlanta, GA 30308-2216
jeffrey.kelley@troutmansanders.com
david.dantzler@troutmansanders.com
404-885-3000
*Attorneys for Marcus A. Watson, Trustee
for the CDC Liquidation Trust*

Consented To:

ROBINSON BROG LEINWAND
GREENE GENOVESE & GLUCK

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Alan M. Pollack
Felicia S. Ennis
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(212) 603 6300

KING & SPALDING LLP

By: /s/ Arthur J. Steinberg
Arthur J. Steinberg
KING & SPALDING LLP
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asteinberg@kslaw.com
(212) 556-2158

Co-counsel for Rajan Vaz

Identification of parties to be served:

Office of the United States Trustee, 362 Richard B. Russell Federal Building, 75 Spring Street,
SW, Atlanta, GA 30303

James C. Cifelli, Lamberth, Cifelli, Ellis & Nason, P.A., 3343 Peachtree Road NE, East Tower,
Suite 550, Atlanta, GA 30326

Jeffrey W. Kelley, Troutman Sanders, LLP, 600 Peachtree Street, NE, Suite 5200, Atlanta, GA
30308-2216

Steven J. Brodie, Carlton Fields, P.A., Miami Tower, 100 S.E. Second Street, Suite 4200, Miami,
FL 33131-2113

Jason S. Mazer, Cary D. Steklof, VER PLOEG & LUMPKIN, P.A., 100 S.E. 2nd Street, 30th
Floor, Miami, Florida 33131

EXHIBIT B TO SETTLEMENT AGREEMENT

Order Dismissing Declaratory Judgment Action and Counterclaim

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

IN RE:	:	
CDC CORPORATION,	:	CHAPTER 11
Debtor.	:	CASE NO. 11-79079
	:	JUDGE BONAPFEL
<hr/>		
CDC LIQUIDATION TRUST,	:	Adversary Proceeding
Plaintiff,	:	
v.	:	No. 14-05338
RAJAN VAZ, LIGHTSTONE-OSTI, L.L.C.,	:	
LIGHTSTONE-DBPI, L.L.C., and	:	
LIGHTSTONE-SGI, L.L.C.,	:	
Defendants.	:	
	:	

ORDER DISMISSING COMPLAINT AND COUNTERCLAIM WITH PREJUDICE

Pursuant to the terms of that certain Settlement Agreement dated September 10, 2015 by and among Rajan Vaz; Lightstone-SGI, LLC, Lightstone-OSTI, LLC, and Lightstone-DBPI,

LLC; Software Galleria, Inc.; Transhorizon (f/k/a CDC Global Services (India) Ltd., also known as Trans Horizon Consulting Pvt Ltd); and Marcus A. Watson, as Liquidation Trustee under the confirmed Chapter 11 Plan of CDC Corporation, which Settlement Agreement was approved by Order of this Court dated October _____, 2015 in the above-captioned Bankruptcy Case [Dkt. No. _____], the Court hereby dismisses the Complaint and Counterclaim in this Adversary Proceeding with prejudice.

So Ordered this _____ day of _____, 2015.

Prepared and Submitted By:

Dated: October _____, 2015
Atlanta, Georgia

TROUTMAN SANDERS LLP

By: /s/ J. David Dantzler, Jr.
Jeffrey W. Kelley
J. David Dantzler, Jr.
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404-885-3000
*Attorneys for Marcus A. Watson, Trustee
for the CDC Liquidation Trust*

Consented To:

ROBINSON BROG LEINWAND
GREENE GENOVESE & GLUCK

By: /s/ Alan M. Pollack

Alan M. Pollack
Felicia S. Ennis
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KING & SPALDING LLP

By: /s/ Arthur J. Steinberg

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Co-counsel for Rajan Vaz

Identification of parties to be served:

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SW, Atlanta, GA 30303

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Suite 550, Atlanta, GA 30326

Steven J. Brodie, Carlton Fields, P.A., Miami Tower, 100 S.E. Second Street, Suite 4200, Miami,
FL 33131-2113

Jason S. Mazer, Cary D. Steklaf, Ver Ploeg & Lumpkin, P.A., 100 S.E. 2nd Street, 30th Floor,
Miami, Florida 33131

EXHIBIT C TO SETTLEMENT AGREEMENT

Release and Consent of Sunder Sukhrani

CONSENT AND RELEASE OF SUNDER SAKHRANI

This Consent and Release is executed and delivered by Sunder Sakhrani (“**Sakhrani**”) this ____ day of _____, 2015 in connection with and consideration for Settlement Agreement dated as of September 10, 2015 (“**Settlement Agreement**”) between RajanVaz (“**Vaz**”), and certain of his affiliated companies, and Marcus A. Watson, as Liquidation Trustee under the confirmed Chapter 11 Plan of CDC Corporation (“**Trustee**”).

RECITALS

WHEREAS, on October 4, 2011, CDC Corporation (“**CDC**” or “**Debtor**”) filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the “**Bankruptcy Court**”), commencing Case No. 11-79079 (the “**Chapter 11 Case**”); and,

WHEREAS, the Trustee is the trustee for the trust (the “**Plan Trust**”) established pursuant to the Second Amended Joint Plan of Reorganization dated August 29, 2012 (as amended by the confirmation order dated September 6, 2012, the “**Plan**”); and,

WHEREAS, pursuant to an order entered in the Chapter 11 Case on September 28, 2012 [Docket No. 578] (the “**Transhorizon Order**”), the Bankruptcy Court established procedures for addressing the claims of former employees, creditors and governmental authorities filed (or to be filed) against Transhorizon (as defined in the Transhorizon Order); and,

WHEREAS, in the Transhorizon Order, the Bankruptcy Court appointed Hays Financial Consulting, LLC as the Transhorizon Claims Agent (as defined in the Transhorizon Order) and authorized the transfer of certain monies to the Transhorizon Claims Agent for the purpose of paying claims asserted against Transhorizon (the “**Transhorizon Funds**”); and,

WHEREAS, Sakhrani, along with Vaz, is a former director of Transhorizon; and,

WHEREAS, the Transhorizon Claims Agent has resolved claims of employees, but possible claims of other of Transhorizon’s creditors remain unresolved; and,

WHEREAS, Section 3.2 of the Settlement Agreement provides that, subject to the execution and delivery of this Consent and Release, the remaining Transhorizon Funds are to be turned over to Vaz and that Vaz shall be responsible for resolving any outstanding claims of Transhorizon’s creditors and, to the extent necessary, the winding up of Transhorizon; and,

WHEREAS, Sakharani is a third-party beneficiary of Section 3.2 of the Settlement Agreement; and,

NOW, THEREFORE, Sakhrani, in consideration of Section 3.2 of the Settlement Agreement and for other good and valuable consideration acknowledged by him to be satisfactory and adequate, and intending to be legally bound, hereby warrants, represents and agrees as follows:

1. **Consent and Release.** Sakhrani expressly consents to the provisions of Section 3.2 of the Settlement Agreement and irrevocably and unconditionally, fully, finally, and forever waives, releases, acquits, and discharges the Transhorizon Claims Agent, the Plan Trust and the Trustee, their respective successors and assigns, attorneys and other professionals, as well as CDC and each of its current and former direct and indirect subsidiaries and their respective current and former directors, officers and employees, (collectively, "**Releasees**") from any and all claims, demands, rights, liabilities, or causes of action of any and every kind, character, or nature whatsoever, in law or in equity, known or unknown, whether asserted or unasserted, which the Sakhrani has or may have or claims to have, now or in the future, against any of the Releasees.

2. **Representations by Sakhrani.** Sakhrani represents and acknowledges that:

- (a) He has had an opportunity to review the Settlement Agreement and any other documents he believes relevant to this Consent and Release.
- (b) He has had the opportunity to consult with counsel of his choosing regarding the execution and delivery of this Consent and Release. In executing this Consent and Release, he does not rely, and has not relied, upon any representation or statement made by any other person regarding the subject matter, basis, or effect of this Consent and Release or otherwise, other than as may be stated herein.
- (c) In executing this Consent and Release, he has relied entirely upon his own judgment, beliefs, and interest and upon the advice of his counsel and that he has had a reasonable period of time to consider the terms of this Consent and Release before signing it.

3. **Governing Law.** This Consent and Release shall be construed and enforced in accordance with and governed by the laws of the State of Georgia without giving effect to that state's choice of law principles.

IN WITNESS WHEREOF, Sunder Sakhrani executes this Consent and Release as of the date set forth above.

Sunder Sakhrani

CERTIFICATE OF SERVICE

This is to certify that I have this day served a true and correct copy of the foregoing Motion upon all those parties listed below by electronic mail as shown:

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This 15th day of September, 2015.

/s/ J. David Dantzler, Jr. _____