

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

ALTEGRITY, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 15-10226 (LSS)

Jointly Administered

**DISCLOSURE STATEMENT FOR THE
JOINT CHAPTER 11 PLAN OF ALTEGRITY INC., *ET AL.***

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¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Altegrity, Inc. (9985); Albatross Holding Company, LLC (2688); Albatross Marketing and Trading, LLC (8643); Altegrity Acquisition Corp. (1480); Altegrity Holding Corp. (1481); Altegrity Risk International LLC (6350); Altegrity Security Consulting, Inc. (5452); CVM Solutions, LLC (9526); D, D & C, Inc. (9552); Engenium Corporation (2269); FDC Acquisition, Inc. (2387); HireRight Records Services, Inc. (1944); HireRight Solutions, Inc. (8954); HireRight Technologies Group, Inc. (1660); HireRight, Inc. (5016); John D. Cohen, Inc. (1738); KCMS, Inc. (0085); KIA Holding, LLC (1333); Kroll Associates, Inc. (6880); Kroll Background America, Inc. (4830); Kroll Crisis Management Group, Inc. (3811); Kroll Cyber Security, Inc. (2393); Kroll Factual Data, Inc. (9911); Kroll Holdings, Inc. (4648); Kroll Inc. (1019); Kroll Information Assurance, Inc. (2283); Kroll Information Services, Inc. (2381); Kroll International, Inc. (1243); Kroll Ontrack Inc. (1650); Kroll Recovery LLC (7082); Kroll Security Group, Inc. (5514); National Diagnostics, Inc. (7132); Ontrack Data Recovery, Inc. (3148); Personnel Records International, LLC (0716); The Official Information Company (1805); US Investigations Services, LLC (9260); USIS International, Inc. (3617); and USIS Worldwide, Inc. (4258). The location of the Debtors' corporate headquarters is 600 Third Avenue, 4th Floor New York, NY 10016.

IMPORTANT INFORMATION FOR YOU TO READ

THE DEADLINE TO VOTE ON THE JOINT CHAPTER 11 PLAN OF ALTEGRITY INC., ET AL. IS [●] AT [4:00] P.M. EASTERN DAYLIGHT TIME

FOR YOUR VOTE TO BE COUNTED, YOUR BALLOT MUST BE ACTUALLY RECEIVED BY THE CLAIMS AND NOTICING AGENT BEFORE THE VOTING DEADLINE AS DESCRIBED HEREIN.

The Debtors are providing the information in this Disclosure Statement for the *Joint Chapter 11 Plan of Altegrity Inc., et al.* [Docket No. [●]] (as may be amended, modified or supplemented from time to time, the “Plan”) to holders of Claims entitled to vote on the Plan for the purpose of soliciting votes to accept or reject the Plan. **Nothing in this Disclosure Statement may be relied upon or used by any entity for any other purpose.** Capitalized terms used but not otherwise defined in this Disclosure Statement shall have the meaning given to those terms in the Plan (a copy of which is attached to this Disclosure Statement as **Exhibit A**); the terms of which are adopted and incorporated herein by reference.

This Disclosure Statement may not be deemed as providing any legal, financial, securities, tax or business advice. The Debtors urge any holder of a Claim or Interest to consult with its own advisors for any legal, financial, securities, tax or business advice in reviewing this Disclosure Statement, the Plan and each of the proposed transactions contemplated thereby. The Bankruptcy Court’s approval of the adequacy of the disclosure contained in this Disclosure Statement does not constitute the Bankruptcy Court’s approval of the merits of the Plan. No representations have been authorized by the Bankruptcy Court concerning the Debtors, their business operations or the value of their assets, except as explicitly set forth in this Disclosure Statement. The Debtors have not authorized any entity to give any information about or concerning the Plan other than the information contained in this Disclosure Statement. The Debtors have not authorized any representations concerning the Debtors or the value of their property other than as set forth in this Disclosure Statement.

The Debtors urge every holder of a Claim entitled to vote on the Plan to (1) read the entire Disclosure Statement and Plan carefully, (2) consider all of the information in this Disclosure Statement, including, importantly, the risk factors described in Section XII of this Disclosure Statement and (3) consult with its own advisors with respect to reviewing this Disclosure Statement, the Plan and all documents that are attached or were filed in connection with the Plan and Disclosure Statement **before** deciding whether to vote to accept or reject the Plan or to make any other elections as described in the Plan and Disclosure Statement.

This Disclosure Statement contains only summaries of the Plan, certain statutory provisions, events in the Chapter 11 Cases and certain documents related to the Plan. This Disclosure Statement is not intended to replace a careful and detailed review and analysis of the Plan; rather this Disclosure Statement is intended only to aid and supplement such review. This Disclosure Statement is qualified in its entirety by reference to the Plan, the Plan Supplement (which the Debtors shall use commercially reasonable efforts to cause to be filed seven (7) days prior to (but in no event later than) the deadline fixed for objecting to Confirmation or such later date as may be approved by the Bankruptcy Court)), and the exhibits attached thereto and the agreements and documents described therein. In the event of any inconsistency or discrepancy between a description in this Disclosure Statement and the terms and provisions of the Plan or other referenced documents, the Plan or other referenced documents will govern for all purposes. You are encouraged to review the full text of the Plan and Plan Supplement and to read carefully the entire Disclosure Statement. Except where otherwise specifically noted, factual information contained in this Disclosure Statement has been provided by the Debtors’ management. The Debtors do not represent or warrant that the information contained in or attached to this Disclosure Statement is without any material inaccuracy or omission.

Although the Debtors have used their reasonable business judgment to ensure the accuracy of the financial information contained in, or incorporated by reference into, this Disclosure Statement, much of that financial information has not been audited. The Debtors are generally making the statements and providing the financial information contained in this Disclosure Statement as of the date hereof where feasible, unless otherwise specifically noted. Although the Debtors may subsequently update the information in this Disclosure Statement, the Debtors have no affirmative duty to do so, and parties reviewing this Disclosure

Statement should be aware that, at the time of their review, the facts may have changed since this Disclosure Statement was filed.

Information contained herein is subject to completion or amendment. The Debtors reserve the right to file an amended Plan and related Disclosure Statement from time to time, subject to the terms of the Plan. This Disclosure Statement shall not constitute an offer to sell, or the solicitation of an offer to buy, nor will there be any distribution of, any of the securities described herein until the Effective Date of the Plan.

Neither this Disclosure Statement nor the Plan is or should be construed as an admission of fact, liability, stipulation or waiver. Rather, holders of Claims and Interests and other parties in interest should construe this Disclosure Statement as a statement made in settlement negotiations related to the numerous potentially contested matters, adversary proceedings and other pending or threatened litigation or actions that are described herein. The Debtors or the Reorganized Debtors may seek to investigate, file and prosecute Causes of Action and may object to Claims after Confirmation or the Effective Date irrespective of whether this Disclosure Statement identifies any such Causes of Action or objections to Claims.

The voting deadline to accept or reject the Plan is [4]:00 p.m. (prevailing Eastern Time) on [], 2015, unless extended by the Debtors (the "*Voting Deadline*"). To be counted, ballots ("*Ballots*") must be received by the Voting Agent (as defined herein) on or before the Voting Deadline.

The Effectiveness of the Plan is subject to material conditions precedent. There is no assurance that these conditions will be satisfied or waived.

If the Plan is confirmed by the Bankruptcy Court and the Effective Date occurs, all holders of Claims against the Debtors (including, without limitation, those holders of Claims who do not submit Ballots to accept or reject the Plan or who are not entitled to vote on the Plan) will be bound by the terms of the Plan and the transactions contemplated thereby.

SPECIAL NOTICE REGARDING FEDERAL AND STATE SECURITIES LAWS

NEITHER THIS DISCLOSURE STATEMENT NOR THE PLAN HAS BEEN FILED WITH, OR REVIEWED BY, AND THE SECURITIES TO BE ISSUED ON OR AFTER THE EFFECTIVE DATE WILL NOT HAVE BEEN THE SUBJECT OF, OR REGISTERED PURSUANT TO, A REGISTRATION STATEMENT FILED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR WITH ANY OTHER SECURITIES REGULATORY AUTHORITY OF ANY STATE UNDER ANY STATE SECURITIES OR “BLUE SKY” LAWS. THE PLAN HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SEC, ANY OTHER SECURITIES REGULATORY AUTHORITY, OR ANY STATE SECURITIES COMMISSION, AND NEITHER THE SEC NOR ANY STATE SECURITIES COMMISSION HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED HEREIN. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED PURSUANT TO SECTION 1125 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016(B). THE PLAN AND THIS DISCLOSURE STATEMENT WERE NOT REQUIRED TO BE PREPARED IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER APPLICABLE NONBANKRUPTCY LAW. DISSEMINATION OF THE DISCLOSURE STATEMENT IS CONTROLLED BY BANKRUPTCY RULE 3017. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THIS DISCLOSURE STATEMENT WAS PREPARED TO PROVIDE PARTIES IN INTEREST IN THESE CASES WITH “ADEQUATE INFORMATION” (AS DEFINED IN SECTION 1125 OF THE BANKRUPTCY CODE) SO THAT THOSE CREDITORS WHO ARE ENTITLED TO VOTE WITH RESPECT TO THE PLAN CAN MAKE AN INFORMED JUDGMENT REGARDING SUCH VOTE ON THE PLAN.

THE DEBTORS ARE RELYING ON SECTION 1145(A)(1) OF THE BANKRUPTCY CODE OR OTHER APPLICABLE LAW, INCLUDING, IN CERTAIN CIRCUMSTANCE, THE SECURITIES ACT WITH RESPECT TO THE ISSUANCE OF NEW SECURITIES IN CONNECTION WITH THE SOLICITATION AND THE PLAN, AND EXPECT THAT THE OFFER AND ISSUANCE OF THE SECURITIES UNDER THE PLAN WILL BE EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT AND RELATED STATE STATUTES BY REASON OF THE APPLICABILITY OF SECTION 1145(A)(1) OF THE BANKRUPTCY CODE AND OTHER APPLICABLE LAW, INCLUDING THE FROM REGISTRATION UNDER THE SECURITIES ACT AND THE STATE SECURITIES LAW.

THIS DISCLOSURE STATEMENT CONTAINS “FORWARD LOOKING STATEMENTS” WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. SUCH STATEMENTS CONSIST OF ANY STATEMENT OTHER THAN A RECITATION OF HISTORICAL FACT AND CAN BE IDENTIFIED BY THE USE OF FORWARD LOOKING TERMINOLOGY SUCH AS “BELIEVE,” “MAY,” “EXPECT,” “ANTICIPATE,” “ESTIMATE” OR “CONTINUE” OR THE NEGATIVE THEREOF, AS WELL AS ANY SIMILAR OR COMPARABLE LANGUAGE. YOU ARE CAUTIONED THAT ALL FORWARD LOOKING STATEMENTS ARE NECESSARILY SPECULATIVE AND THERE ARE CERTAIN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE REFERRED TO IN SUCH FORWARD LOOKING STATEMENTS. THE LIQUIDATION ANALYSIS SET FORTH IN EXHIBIT D TO THIS DISCLOSURE STATEMENT, THE DISTRIBUTION PROJECTIONS AND OTHER INFORMATION CONTAINED HEREIN AND ATTACHED HERETO ARE ESTIMATES ONLY, AND THE TIMING AND AMOUNT OF ACTUAL DISTRIBUTIONS TO HOLDERS OF ALLOWED CLAIMS MAY BE AFFECTED BY MANY FACTORS THAT CANNOT BE PREDICTED. ANY ANALYSES, ESTIMATES OR RECOVERY PROJECTIONS MAY OR MAY NOT TURN OUT TO BE ACCURATE. ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE ANTICIPATED IN THE FORWARD-LOOKING STATEMENTS. CONSEQUENTLY, THE PROJECTED

FINANCIAL INFORMATION AND OTHER FORWARD-LOOKING STATEMENTS CONTAINED HEREIN SHOULD NOT BE REGARDED AS REPRESENTATIONS BY ANY OF THE DEBTORS, THE REORGANIZED DEBTORS, THEIR ADVISORS OR ANY OTHER PERSON THAT THE PROJECTED FINANCIAL CONDITIONS OR RESULTS OF OPERATIONS CAN OR WILL BE ACHIEVED. EXCEPT AS OTHERWISE REQUIRED BY LAW, NEITHER THE DEBTORS NOR THE REORGANIZED DEBTORS UNDERTAKE ANY OBLIGATION TO UPDATE OR REVISE PUBLICLY ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE FOLLOWING APPROVAL OF THIS DISCLOSURE STATEMENT BY THE BANKRUPTCY COURT.

MAKING INVESTMENT DECISIONS BASED ON THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AND/OR THE PLAN IS THEREFORE HIGHLY SPECULATIVE. THE DEBTORS RECOMMEND THAT POTENTIAL RECIPIENTS OF ANY SECURITIES ISSUED PURSUANT TO THE PLAN CONSULT THEIR OWN LEGAL COUNSEL CONCERNING THE SECURITIES LAWS GOVERNING THE TRANSFERABILITY OF ANY SUCH SECURITIES.

QUESTIONS AND ADDITIONAL INFORMATION

If you would like to obtain copies of this Disclosure Statement, the Plan or any of the documents attached hereto or referenced herein, or if you have questions about the solicitation and voting process or the Chapter 11 Cases generally, please contact Prime Clerk LLC (“*Prime Clerk*”) by (i) calling (855) 842-4125, (ii) emailing allegriyballots@primeclerk.com or (iii) visiting <https://cases.primeclerk.com/Allegriy/>.

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EXHIBITS

- EXHIBIT A Plan
- EXHIBIT B Disclosure Statement Order and Solicitation Order
- EXHIBIT C Organizational Chart of the Debtors and their Non-Debtor Affiliates and Subsidiaries
- EXHIBIT D Liquidation Analysis
- EXHIBIT E Financial Projections
- EXHIBIT F Valuation Analysis

THE DEBTORS HEREBY ADOPT AND INCORPORATE EACH EXHIBIT ATTACHED TO THIS DISCLOSURE STATEMENT BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN.

I.
EXECUTIVE SUMMARY

A. Overview of this Disclosure Statement

The Debtors submit this Disclosure Statement pursuant to section 1125 of the Bankruptcy Code to holders of Claims against the Debtors in connection with the solicitation of acceptances with respect to the Plan. A copy of the Plan is attached hereto as **Exhibit A** and incorporated herein by reference. This Disclosure Statement describes certain aspects of the Plan, including the treatment of holders of Claims and Interests, and also describes certain aspects of the Debtors' operations, financial projections, and other related matters. The Plan as a whole constitutes a separate chapter 11 plan for each Debtor. *Capitalized terms used but not otherwise defined in this Disclosure Statement have the meaning given to those terms in the Plan.*

Before soliciting acceptances of a proposed chapter 11 plan of reorganization, section 1125 of the Bankruptcy Code requires a debtor to prepare a disclosure statement that contains information of a kind, and in sufficient detail, to permit a hypothetical reasonable investor to make an informed judgment regarding acceptance of the plan of reorganization. The Bankruptcy Court entered an order approving the Disclosure Statement on [●] [Docket No. [●]] (the "**Disclosure Statement Order**"), as well as an order (i) approving, among other things, the dates, procedures and forms applicable to the process of soliciting votes on and providing notice of the Plan and certain vote tabulation procedures, (ii) establishing the deadline for filing objections to the Plan and (iii) scheduling the Confirmation Hearing. [Docket No. [●]] (including the exhibits thereto, the "**Solicitation Order**"). The Disclosure Statement Order and the Solicitation Order are attached hereto as collective **Exhibit B**.

A hearing to consider confirmation of the Plan is scheduled to be held before the Honorable Laurie Selber Silverstein at [●]:[●] [a][p].m. prevailing Eastern Time on [●], 2015 at the Bankruptcy Court, located at 824 Market Street, 6th Floor, Courtroom 2, Wilmington, Delaware 19801 (the "**Confirmation Hearing**"). Additional information with respect to Confirmation is provided in Article XI of this Disclosure Statement, entitled "Confirmation of the Plan". **The Confirmation Hearing may be adjourned from time to time without further notice except for an announcement of the adjourned date made before or at the Confirmation Hearing or any adjournment thereof.**

This Disclosure Statement contains, among other things, descriptions and summaries of certain provisions of, and financial transactions contemplated by, the Plan. Certain provisions of the Plan (and the descriptions and summaries contained herein) remain the subject of continuing negotiations among the Debtors and various parties have not been finally agreed upon and may be modified at any time before Confirmation in accordance with the terms of the Plan.

For the benefit of the Bankruptcy Court and all parties in interest, a glossary of key terms used throughout the Plan and this Disclosure Statement is included as an **Appendix** to this Disclosure Statement. **Please note, however, that the Appendix and the description of the Plan provided throughout this Disclosure Statement are only a summary, and this Disclosure Statement should be read in conjunction with the Plan. In the case of any inconsistency between the summary and description of the Plan in this Disclosure Statement and the Plan, the terms of the Plan will govern.**

This Executive Summary is only a general overview of this Disclosure Statement and the material terms of, and transactions proposed by, the Plan. The Executive Summary is qualified in its entirety by reference to the more detailed discussions appearing elsewhere in this Disclosure Statement and the exhibits attached to this Disclosure Statement, including the Plan and the Plan Supplement, which the Debtors shall use commercially reasonable efforts to cause to be filed seven (7) days prior to (but in no event later than) the deadline fixed for objecting to Confirmation or such later date as may be approved by the Bankruptcy Court. The Debtors urge all parties to read the Executive Summary in conjunction with the entire Disclosure Statement, the Plan and the Plan Supplement.

B. Purpose and Effect of the Plan

As of the Petition Date, the Debtors had outstanding debt in the aggregate principal amount of approximately \$1,788.2 million, consisting of approximately \$1,649.8 million in secured debt and \$138.5 million in

unsecured debt (without including the effect of potential make-whole claims under the First Lien Credit Agreement and First Lien Notes Indenture). The Debtors are pleased to report that after extensive, good-faith and arm's-length negotiations with the majority of their key stakeholders, the Debtors have achieved agreement on a consensual restructuring plan that will delever the Company by approximately \$700 million, or 40% of the Debtors' outstanding debt. To evidence their support of the Debtors' restructuring plan, holders of approximately 78% of the Debtors' first lien debt and approximately 95% of the Debtors' second and third lien debt have executed the Restructuring Support Agreement. The transactions contemplated by the Restructuring Support Agreement (a) address certain existing defaults under the First Lien Indebtedness, modify change-of-control covenants, and reset financial covenants to levels that are consistent with the Debtors' revised business plan, (b) reduce outstanding debt by 40% and (c) provide the Debtors with a new-money junior lien investment of \$90 million to fund these Chapter 11 Cases and post-emergence ongoing business operations.

The Restructuring Support Agreement is being implemented through this reorganization under chapter 11 of the Bankruptcy Code, which is the principal business reorganization chapter of the Bankruptcy Code. Under chapter 11 of the Bankruptcy Code, a debtor may reorganize its business for the benefit of its stakeholders. The consummation of a plan of reorganization is the principal objective of a chapter 11 case. A plan of reorganization sets forth how a debtor will treat its claims and interests.

A bankruptcy court's confirmation of a plan of reorganization binds the debtor, any entity or person acquiring property under the plan, any creditor of or equity security holder in a debtor and any other entities and persons to the extent ordered by the bankruptcy court pursuant to the terms of the confirmed plan, whether or not such entity or person is impaired pursuant to the plan, has voted to accept the plan or receives or retains any property under the plan.

Among other things (subject to certain limited exceptions and except as otherwise provided in the Plan or the Confirmation Order), the Confirmation Order will discharge the Debtors from any debt arising before the Effective Date, terminate all of the rights and interests of pre-bankruptcy equity security holders, and substitute the obligations set forth in the Plan for those pre-bankruptcy Claims and Interests. Under the Plan, Claims and Interests are divided into Classes according to their relative priority and other criteria.

Each of the Debtors is a proponent of the Plan within the meaning of section 1129 of the Bankruptcy Code. The Plan does not contemplate the substantive consolidation of the Debtors' estates. Instead, the Plan, although proposed jointly, constitutes a separate chapter 11 plan for each of the Debtors in the Chapter 11 Cases. Holders of Allowed Claims or Interests will receive the same recovery provided to other holders of Allowed Claims or Interests in the applicable Class according to the respective Debtor against which they hold a Claim or Interest and will be entitled to their share of consideration, if any, available for distribution to such Class.

The terms of the Plan are based upon, among other things, the Debtors' assessment of their ability to achieve the goals of their long-range business plan, make the distributions contemplated under the Plan and pay certain of their continuing obligations in the ordinary course of the Reorganized Debtors' businesses.

As described throughout this Disclosure Statement, the Plan provides for a comprehensive restructuring of the Debtors' pre-bankruptcy obligations, preserves the going-concern value of the Reorganizing Debtors' businesses, provides an organized wind-down of the Liquidating Debtors' businesses, maximizes recoveries available to all constituents, provides for an equitable distribution to the Debtors' stakeholders and preserves employment.

With the assistance of their professional advisors, the Debtors also conducted a careful review of their current operations, their prospects as an ongoing business, financial projections included in the long-range business plan developed by management and estimated recoveries in a liquidation scenario. Following this review, the Debtors concluded that recoveries to their stakeholders will be maximized by the Reorganizing Debtors' continued operations as a going concern and emergence from chapter 11 on the timetable and with the structure proposed in the Plan, and the Liquidating Debtors' orderly wind-down of operations.

The Reorganizing Debtors believe that their businesses and assets have significant value that would not be realized in a liquidation, either in whole or in substantial part. Consistent with the liquidation analysis, financial projections and valuation analysis prepared by the Debtors with the assistance of their professional advisors (*see*

Exhibits D, E and F attached hereto), the value of the Debtors is substantially greater as a going concern than in a liquidation. The Debtors also believe that any alternative to Confirmation, such as an attempt by another party to file a competing plan, could result in significant delays, litigation and additional costs and could negatively affect value by causing unnecessary uncertainty with the Debtors' employees and key customer and vendor constituencies, which could ultimately reduce the recoveries for all holders of Allowed Claims.

**FOR ALL OF THESE REASONS AND THE OTHER REASONS
DESCRIBED IN THIS DISCLOSURE STATEMENT, THE DEBTORS URGE YOU
TO RETURN OR ELECTRONICALLY FILE YOUR BALLOT ACCEPTING THE PLAN BY THE
VOTING DEADLINE.**

C. Summary of Treatment of Claims and Interests and Description of Recoveries Under the Plan

(i) Summary of Classification of Claims and Interests under the Plan

The Plan organizes the Debtors' creditor claims and equity interests into groups called "Classes." For each Class, the Plan describes (a) the underlying "Claim" or "Interest," (b) the recovery available to the holders of Claims or Interests in that Class under the Plan, (c) whether the Class is "Impaired" under the Plan, meaning that each holder will receive less than the full value of its Claim or Interest or that the rights of holders will be altered in some way under applicable law (such as receiving stock instead of cash) and (d) the form of consideration (*e.g.*, cash, stock, warrants or a combination thereof), if any, that such holders will receive on account of their respective Claims or Interests.

The Plan provides that, for the avoidance of doubt, to the extent a Class contains Allowed Claims or Interests with respect to a particular Debtor, such Class is designated with respect to such Debtor. To the extent there are no Allowed Claims or Interests with respect to a particular Debtor, such Class is deemed to be omitted with respect to such Debtor.

The table below provides a summary of the classification and description of Claims and Interests under the Plan. This information is provided in summary form below for illustrative purposes only and is qualified in its entirety by reference to the provisions of the Plan. For a more detailed description of the treatment of Claims and Interests under the Plan, see Section VIII of this Disclosure Statement, entitled "Description of the Joint Plan of Reorganization". Additionally, the Plan is attached hereto as **Exhibit A**.

SUMMARY OF CLASSIFICATION OF CLAIMS AND INTERESTS UNDER THE PLAN			
Class	Name of Class	Applicable Debtors	Description of Class
A1	Reorganizing Debtors First Lien Credit Agreement Claims	Reorganizing Debtors	All First Lien Credit Agreement Claims against the Reorganizing Debtors
A2	Reorganizing Debtors First Lien Notes Claims	Reorganizing Debtors	All First Lien Notes Claims against the Reorganizing Debtors
A3	Reorganizing Debtors Lien Claims	Reorganizing Debtors	All Lien Claims against the Reorganizing Debtors
A4	Reorganizing Debtors Secured Second Lien Notes Claims	Reorganizing Debtors	All Secured Second Lien Note Claims against the Reorganizing Debtors
A5	Reorganizing Debtors Secured Third Lien Notes Claims	Reorganizing Debtors	All Secured Third Lien Notes Claims against the Reorganizing Debtors
A6	Reorganizing Debtors Other Priority Claims	Reorganizing Debtors	All Other Priority Claims against the Reorganizing Debtors

SUMMARY OF CLASSIFICATION OF CLAIMS AND INTERESTS UNDER THE PLAN			
Class	Name of Class	Applicable Debtors	Description of Class
A7	Reorganizing Debtors Unsecured Claims	Reorganizing Debtors	All (a) General Unsecured Claims, (b) 2015 Senior Notes Claims, (c) 2016 Senior Subordinated Notes Claims, (d) the Second Lien Notes Deficiency Claims, and (e) the Third Lien Notes Deficiency Claims, each as against the Reorganizing Debtors
A8	Altegrity, Inc. Junior Subordinated Notes Claims	Altegrity, Inc.	Junior Subordinated Notes Claims against Altegrity, Inc.
A9	Reorganizing Debtors Intercompany Claims	Reorganizing Debtors	Intercompany Claims held by any Reorganizing Debtor against any other Reorganizing Debtor
A10	Interests in Altegrity Holding Corp.	Altegrity Holding Corp.	Any and all Altegrity Holding Corp. Interests, and all Claims arising from or relating to Interests in Altegrity Holding Corp. that are subject to subordination under Section 510 of the Bankruptcy Code
A11	Interests in the Subsidiary Debtors that are Reorganizing Debtors	Subsidiary Debtors that are Reorganizing Debtors	Any and all Interests in the Subsidiary Debtors that are Reorganizing Debtors
B1	Liquidating Debtors First Lien Credit Agreement Claims	Liquidating Debtors	All First Lien Credit Agreement Claims against the Liquidating Debtors
B2	Liquidating Debtors First Lien Notes Claims	Liquidating Debtors	All First Lien Notes Claims against the Liquidating Debtors
B3	Liquidating Debtors Lien Claims	Liquidating Debtors	All Lien Claims against the Liquidating Debtors
B4	Liquidating Debtors Secured Second Lien Notes Claims	Liquidating Debtors	All Secured Second Lien Note Claims against the Liquidating Debtors
B5	Liquidating Debtors Secured Third Lien Notes Claims	Liquidating Debtors	All Secured Third Lien Notes Claims against the Liquidating Debtors
B6	Liquidating Debtors Other Priority Claims	Liquidating Debtors	All Other Priority Claims against the Liquidating Debtors
B7	Liquidating Debtors Unsecured Claims	Liquidating Debtors	All Liquidating Debtors Unsecured Claims
B8	Interests in the Liquidating Debtors	Liquidating Debtors	Any and all Interests in the Liquidating Debtors

In addition to the Classes identified above, the Plan provides for recoveries to certain types of Claims that are not separately classified under the Plan, as follows:

- **Allowed Administrative Claims.** Administrative Claims include Claims for costs and expenses of administration of the Chapter 11 Cases of a kind specified under section 503(b) and entitled to

priority under sections 507(a)(2), 507(b) or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estates and operating the businesses of the Debtors; (b) compensation for legal, financial advisory, accounting and other services and reimbursement of expenses Allowed pursuant to sections 328, 330(a), 331 or 363 of the Bankruptcy Code or otherwise for the period commencing on the Petition Date and through the Effective Date; (c) DIP Claims; (d) all fees and charges assessed against the Estates pursuant to chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1–4001; and (e) all requests for compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases pursuant to sections 503(b)(3), (4) and (5) of the Bankruptcy Code. Except with respect to Administrative Claims that are Claims for Accrued Professional Compensation and except to the extent that a holder of an Allowed Administrative Claim and the applicable Debtor or Reorganized Debtor agrees to less favorable treatment to such holder, each holder of an Allowed Administrative Claim will be paid in full, in Cash, as provided in Article II of the Plan.

- **Accrued Professional Compensation.** Accrued Professional Compensation includes Claims of professionals (a) retained pursuant to a Final Order in accordance with sections 327, 363 or 1103 of the Bankruptcy Code and to be compensated for services rendered before or on the Confirmation Date pursuant to sections 327, 328, 329, 330, 363 and 331 of the Bankruptcy Code or (b) awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code. Allowed Claims for Accrued Professional Compensation will be paid in full, in Cash. Additionally, the Plan provides that the Reorganized Debtors may pay retained Professionals or other Entities in the ordinary course of business for services performed after the Effective Date without the need to file a final fee application, as provided in Article II of the Plan.
- **Priority Tax Claims.** Priority Tax Claims include any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code. Each Holder of an Allowed Priority Tax Claim will receive, at the option of the Debtors, in full and final satisfaction, settlement, release, and compromise of its Allowed Priority Tax Claim, one of the following treatments: (a) Cash in an amount equal to the amount of such Allowed Priority Tax Claim; (b) Cash in the aggregate amount of such Allowed Priority Tax Claim payable in installment payments over a period of time not to exceed five years after the Petition Date, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; or (c) such other treatment as may be agreed upon by such holder and the Debtors, with the consent of the Consenting Junior Lien Creditors (which consent shall not be unreasonably withheld), or otherwise determined upon an order of the Bankruptcy Court.
- **DIP Claims.** Holders of DIP Claims will receive, as indefeasible payment in full and final satisfaction of the DIP Claims, New Second Lien Notes in the full Allowed amount of their Claims against the Reorganizing Debtors.
- **Statutory Fees.** The Plan provides that the Debtors will pay in full, in Cash, any fees due and owing to the U.S. Trustee, including quarterly fees payable under 28 U.S.C. § 1930(a)(6), plus interest due and payable under 31 U.S.C. § 3717 (if any), on all disbursements, including Plan payments and disbursements in and outside the ordinary course of the Debtors' business at the time of Confirmation. On and after the Effective Date, each Reorganized Debtor will pay the applicable U.S. Trustee fees for each of the Reorganized Debtors when due in the ordinary course until such time as the Bankruptcy Court enters a final decree in such Reorganized Debtor's Chapter 11 Case. The Debtors estimate that the total amount of fees owed to the U.S. Trustee on the Effective Date pursuant to this provision of the Plan will total approximately \$211,900.

(ii) ***Summary of Treatment and Voting Rights of Claims and Interests under the Plan***

The Debtors are not proposing the substantive consolidation of their respective bankruptcy estates. Thus, although the Plan generally applies to all of the Debtors, the Plan includes within it distinct chapter 11 plans, one for

each Debtor. This means, among other things, that for voting purposes, each holder of a Claim or Interest entitled to vote to accept or reject the Plan will vote its Claims and Interests in the appropriate Class for the applicable individual Debtor or Debtors.

Distributions to creditors under the Plan generally will include a combination of New Common Stock authorized pursuant to the Plan, Cash, warrants, new debt securities, or reinstatement or such other treatment as agreed between the Debtors, with the consent of the Consenting Junior Lien Creditors (which consent shall not be unreasonably withheld), and the applicable creditor. The specific forms and sources of distribution applicable to a particular Class are summarized below and described in detail in Section VIII of this Disclosure Statement, entitled "Description of the Joint Plan of Reorganization".

The table below summarizes the classification, status, voting rights and treatment of Claims and Interests under the Plan. These summaries are described in the form below for illustrative purposes only and are qualified in their entirety by reference to the provisions of the Plan. For a more detailed description of the treatment of Claims and Interests under the Plan, see Section VIII of this Disclosure Statement, entitled "Description of the Joint Plan of Reorganization".

SUMMARY OF STATUS, TREATMENT AND VOTING RIGHTS			
Class	Status	Voting Rights	Plan Treatment of Class
A1	Reorganizing Debtors First Lien Credit Agreement Claims	None	Reinstated.
A2	Reorganizing Debtors First Lien Notes Claims	None	Reinstated.
A3	Reorganizing Debtors Lien Claims	None	One of: A. paid in full in Cash on the later of the Effective Date or as soon as practicable after a particular Claim becomes Allowed; B. such other treatment as may be agreed to by the applicable Reorganizing Debtor and the holder; or C. the holder shall retain its Lien on such property and be Reinstated.
A4	Reorganizing Debtors Secured Second Lien Notes Claims	Entitled to Vote	Pro-Rata share of 98% of the New Common Stock issued as of the Effective Date, which shall be subject to dilution in certain circumstances.
A5	Reorganizing Debtors Secured Third Lien Notes Claims	Entitled to Vote	Pro-Rata share of 2% of the New Common Stock issued as of the Effective Date, which shall be subject to dilution in certain circumstances.

SUMMARY OF STATUS, TREATMENT AND VOTING RIGHTS			
Class	Status	Voting Rights	Plan Treatment of Class
A6	Reorganizing Debtors Other Priority Claims	None	One of: A. paid in full in Cash on the later of the Effective Date or as soon as practicable after such claim becomes Allowed; or B. such other treatment as may be agreed to by the applicable Debtor and the holder, with the approval of the Consenting Junior Creditors, which approval shall not be unreasonably withheld.
A7	Reorganizing Debtors Unsecured Claims	Entitled to Vote	Pro Rata share of the Warrants.
A8	Altegrity, Inc. Junior Subordinated Notes Claims	None	Cancelled.
A9	Reorganizing Debtors Intercompany Claims	None	One of: A. Reinstated; B. remain in place subject to certain revised documentation; C. modified or cancelled as of the Effective Date; D. Cash payments to address the treatment of certain foreign obligations of the Company; or E. certain Intercompany Claims in respect of goods, services, interest and other amounts that would have been satisfied in Cash directly or indirectly in the ordinary course of business had they not been outstanding as of the Petition Date may be settled in Cash.
A10	Interests in Altegrity Holding Corp.	None	Cancelled.
A11	Interests in the Subsidiary Debtors that are Reorganizing Debtors	None	Reinstated, cancelled or transferred at the option of the Debtors, with the approval of the Consenting First Lien Creditors and Consenting Junior Lien Creditors.
B1	Liquidating Debtors First Lien Credit Agreement Claims	None	Reinstated.
B2	Liquidating Debtors First Lien Notes Claims	None	Reinstated.

SUMMARY OF STATUS, TREATMENT AND VOTING RIGHTS			
Class	Status	Voting Rights	Plan Treatment of Class
B3	Liquidating Debtors Lien Claims	None	One of: A. receipt of the collateral securing such Allowed Secured Claim; B. paid Cash in an amount equal to the value of the collateral securing such Allowed Secured Claim; or C. such other treatment required under section 1124(2) of the Bankruptcy Code for such Claim to be rendered unimpaired within the meaning of section 1124 of the Bankruptcy Code.
B4	Liquidating Debtors Secured Second Lien Notes Claims	Entitled to Vote	Pro Rata share of distributions of proceeds of collateral, subject to the prior rights of the first lien holders.
B5	Liquidating Debtors Secured Third Lien Notes Claims	Entitled to Vote	Pro Rata share of distributions of proceeds of collateral, subject to the prior rights of the first lien and second lien holders.
B6	Liquidating Debtors Other Priority Claims	Entitled to Vote	Pro Rata share of proceeds of assets, if any, not subject to a security interest at the time of disposition, in accordance with the payment waterfall set forth in the Liquidating Debtors Unsecured Claims Distribution Pool.
B7	Liquidating Debtors Unsecured Claims	Entitled to Vote	Pro Rata share of proceeds of assets, if any, not subject to a security interest at the time of disposition, in accordance with the payment waterfall set forth in the Liquidating Debtors Unsecured Claims Distribution Pool.
B8	Interests in Liquidating Debtors	None	Reinstated, transferred or cancelled at the option of the Debtors, with the approval of the Consenting Junior Creditors, which approval shall not be unreasonably withheld.

(iii) ***Estimated Range of Recoveries of Certain Holders of Claims and Interests Under the Plan***

The table presented below estimates recoveries to holders of Claims and Interests in Class A4, Class A5 and Class A7. The following estimated recoveries are presented for illustrative purposes **only**. Actual recoveries may vary depending on a number of factors, including those described in the Plan and this Disclosure Statement, as well as those set forth in Section XII of this Disclosure Statement entitled "Risk Factors".

PRELIMINARY ESTIMATED RECOVERIES			
Claims	Estimated Midpoint Amount of Allowed Claims	Estimated Midpoint Recovery of Allowed Claims	
A4 – Reorganizing Debtors Secured Second Lien Notes Claims ²	\$519,265,011.85	\$251,136,885.70	48.4%
A5 – Reorganizing Debtors Secured Third Lien Notes Claims ³	\$66,304,133.00	\$5,125,242.57	7.7%
A7 – Reorganizing Debtors Unsecured Claims (excluding the Second Lien Notes Deficiency Claims and the Third Lien Notes Deficiency Claims) ⁴	\$82,510,532.22	\$1,779,779.96	2.2%

D. Voting on the Plan⁵

On [●], 2015, the Bankruptcy Court entered the Solicitation Order, approving, among other things, the dates, procedures and forms applicable to the process of soliciting votes on and providing notice of the Plan and certain vote tabulation procedures and establishing the deadline for filing objections to the Plan and scheduling the Confirmation Hearing [Docket No. [●]]. Copies of the Disclosure Statement Order and Solicitation Order are attached hereto as collective **Exhibit B**. The Solicitation Order is incorporated herein by reference and should be read in conjunction with this Disclosure Statement and in formulating a decision to vote to accept or reject the Plan.

THIS DISCUSSION OF THE SOLICITATION AND VOTING PROCESS IS ONLY A SUMMARY.
PLEASE REFER TO THE SOLICITATION ORDER ATTACHED HERETO FOR A MORE COMPREHENSIVE DESCRIPTION OF THE SOLICITATION AND VOTING PROCESS.

(i) *Holders of Claims and Interests Entitled to Vote on the Plan*

Under the provisions of the Bankruptcy Code, not all holders of claims against and interests in a debtor are entitled to vote on a chapter 11 plan. As shown in the table above, the Debtors are soliciting votes to accept or reject the Plan only from holders of Claims and Interests in Classes A4, A5, A7, B4, B5, B6, and B7 (collectively, the “**Voting Classes**”).

The holders of Claims and Interests in the Voting Classes are Impaired under the Plan and may receive a distribution under the Plan. Accordingly, holders of Claims and Interests in the Voting Classes have the right to vote to accept or reject the Plan.

The Debtors are **not** soliciting votes from holders of Classes A1, A2, A3, A6, B1, B2, and B3. Additionally, the Solicitation Order provides that certain holders of Claims in the Voting Classes, such as those

² Reorganizing Debtors Secured Second Lien Notes Claims include principal and accrued PIK/cash interest through the Petition Date.

³ Reorganizing Debtors Secured Third Lien Notes Claims include principal and accrued PIK/cash interest through the Petition Date.

⁴ Recovery shown is estimated recovery to the class post “pay over” provisions set forth in the 2016 Senior Subordinated Notes Indenture. Estimated claims amounts could be larger as a result of asserted but disputed litigation claims that have not yet been estimated or liquidated, therefore resulting in a lower recovery. The Debtors reserve the right to update the Disclosure Statement following the Bar Date and before the hearing to consider the Disclosure Statement.

⁵ Capitalized terms this Section I.D of this Disclosure Statement that are not otherwise defined shall have the meaning ascribed to them in the Solicitation Order (and any exhibits thereto).

holders whose Claims have been disallowed or are subject to a pending objection, are not entitled to vote to accept or reject the Plan. The table above provides a summary of the status and voting rights of each Class (and, therefore, of each holder within each such Class absent an objection to the holder's Claim) under the Plan.

(ii) ***Voting on the Plan***

The Voting Deadline is [4:00] [p.]m. prevailing Eastern Time on [●], 2015. In order to be counted as votes to accept or reject the Plan, all Ballots must be properly executed, completed and delivered (either by using the return envelope provided, by first class mail, overnight courier or personal delivery or via electronic, online transmission) so that they are **actually received** on or before the Voting Deadline by either the Claims and Noticing Agent at the following addresses:

DELIVERY OF BALLOTS
<p>Ballots must be <u>actually received</u> by the Claims and Noticing Agent by the Voting Deadline of [4:00 p.m.] prevailing Eastern Time on [●] at the following addresses:</p> <p style="text-align: center;">Altegrity, Inc. Ballot Processing c/o Prime Clerk LLC 830 Third Avenue, 9th Floor New York, NY 10022</p> <p>If you received an envelope addressed to your nominee, please allow enough time when you return your Ballot for your nominee to cast your vote on a Ballot before the Voting Deadline.</p> <p>In addition to accepting submitted hard copy Ballots via first class mail, overnight courier and hand delivery, you may submit your Ballot via electronic, online transmission through a customized "E-Ballot" section on the Debtors' case website (https://cases.primeclerk.com/altegrity/EBallot-Home) on or before the Voting Deadline.</p> <p>If you have any questions on the procedure for voting on the Plan, please call the Claims and Noticing Agent at the following telephone number:</p> <p style="text-align: center;">(855) 842-4125</p>

<p>IF YOU HAVE ANY QUESTIONS ABOUT THE SOLICITATION OR VOTING PROCESS, PLEASE CONTACT THE CLAIMS AND NOTICING AGENT. ANY BALLOT RECEIVED AFTER THE VOTING DEADLINE OR OTHERWISE NOT IN COMPLIANCE WITH THE SOLICITATION ORDER WILL <u>NOT</u> BE COUNTED.</p>

E. Additional Plan Related Documents

(i) ***The Plan Supplement***

The Debtors will file the Plan Supplement with the Bankruptcy Court no later than 10 days before the Confirmation Hearing (or such later date as may be approved by the Bankruptcy Court). The Debtors will file the Plan Supplement with the Bankruptcy Court and post a notice on its website (<https://cases.primeclerk.com/Altegrity>) that will inform parties that the Plan Supplement was filed, list the information included therein and explain how copies of the Plan Supplement may be obtained.

(ii) ***The Contract/Lease Schedule***

The Debtors will file a schedule or schedules, as necessary, listing the Executory Contracts and Unexpired Leases the Debtors intend to assume pursuant to Article VI of the Plan (the "**Contract/Lease Schedule**") with the Bankruptcy Court as part of the Plan Supplement on or before 10 days before the Confirmation Hearing. The Contract/Lease Schedule will include (a) the name of the non-debtor counterparty, (b) the legal description of the contract or lease and (c) the proposed amounts of Cure Claims, if any.

On the date of filing of the Contract/Lease Schedule or as soon as practicable thereafter, with the assistance of the Claims and Noticing Agent, the Debtors will serve a notice of filing upon each non-debtor counterparty or counterparties to each listed Executory Contracts or Unexpired Leases. The notice of filing will describe the procedures by which such party may object to the proposed assumption of its respective Executory Contract or Unexpired Lease and any amount of Cure Claims to be paid in connection therewith and explain how such disputes will be resolved by the Bankruptcy Court if the parties are not able to resolve a dispute consensually.

Objections, if any, to the proposed assumption and/or Cure Claim or rejection by the Debtors of any Executory Contract or Unexpired Lease listed on the Contract/Lease Schedule, must be filed with the Bankruptcy Court and served so as to be **actually received** at least three (3) days before the Confirmation Hearing by the notice parties listed directly below under the heading, "Plan Objection Deadline".

Any counterparty to any Executory Contract or Unexpired Lease who fails to timely file and serve an objection in accordance with the Plan will be deemed to have consented to the assumption (including the Debtors' proposed Cure Claim amount) or rejection of that party's Executory Contract or Unexpired Lease by the applicable Debtor or Debtors in accordance with Article VI of the Plan.

F. Confirmation and Consummation of the Plan

(i) Plan Objection Deadline

The Plan Objection Deadline is [4:00 p.m.] prevailing Eastern Time on [●], 2015. This means that written objections to Confirmation, if any, that conform to the applicable provisions of the Disclosure Statement Order, the Solicitation Order, the Bankruptcy Code, the Bankruptcy Rules and the Local Bankruptcy Rules, must be filed, together with a proof of service, with the Bankruptcy Court and served so as to be **actually received** on or before the Plan Objection Deadline by the following parties:

- Counsel to the Debtors:
 - Debevoise & Plimpton LLP Attn: M. Natasha Labovitz, Esq., Jasmine Ball, Esq. and Craig A. Bruens, Esq., 919 Third Avenue, New York, New York 10022; and
 - Young Conaway Stargatt & Taylor, LLP Attn: Edmon A. Morton, Esq., Joseph M. Barry, Esq. and Ryan M. Bartley, Esq., Rodney Square, 1000 North King Street, Wilmington, Delaware, 19801
- Counsel to the Creditors' Committee:
 - Wilmer Cutler Pickering Hale and Dorr LLP Attn: Andrew Goldman, Esq. and Dennis L. Jenkins, Esq., 60 State Street, Boston, MA 02109; and
 - Bayard, P.A. Attn: Neil B. Glassman, Esq. and GianClaudio Finizio, Esq., 222 Delaware Avenue, Suite 900, Wilmington, DE 19801
- U.S. Trustee: Office of the U.S. Trustee for the District of Delaware, Attn: Mark S. Kenney, 844 King St., Suite 2207, Lockbox 35, Wilmington, Delaware, 19801
- Counsel to the Consenting First Lien Creditors:
 - Kirkland & Ellis LLP Attn: Patrick J. Nash, Esq., Ryan P. Dahl, Esq. and Justin R. Bernbrock, Esq., 300 N. LaSalle St., Chicago, Illinois, 60654; and
 - Womble Carlyle Sandridge & Rice LLP Attn: Mark L. Desgrosseilliers, Esq., 222 Delaware Avenue, Suite 1501, Wilmington, DE 19801
- Counsel to the Consenting Junior Lien Creditors:

- Paul, Weiss, Rifkind, Wharton & Garrison LLP Attn: Andrew N. Rosenberg, Esq., Brian S. Hermann, Esq., Diane Meyers, Esq., Rebecca R. Cohen, Esq., and Ann K. Young, Esq., 1285 Avenue of the Americas, New York, New York 10019-6064; and
- Landis Rath & Cobb LLP Attn: Richard S. Cobb, Esq. and Matthew B. McGuire, Esq., 919 Market Street, Suite 1800, P.O. Box 2087, Wilmington, DE 19899
- Counsel to the Consenting Interest Holders: Weil, Gotshal & Manges LLP Attn: Marcia Goldstein, Esq., Jacqueline Marcus, Esq., and Amy Price, Esq., 767 Fifth Avenue, New York, New York 10153
- Ashby & Geddes, P.A. Attn: William P. Bowden, Esq., 500 Delaware Avenue, P.O. Box 1150, Wilmington, Delaware 19899

(ii) *Confirmation Hearing*

The Confirmation Hearing will commence at [●][a][p].m. prevailing Eastern Time on [●], 2015.

The Confirmation Hearing will be held before the Honorable Laurie Selber Silverstein in the Bankruptcy Court, located at 824 Market Street, 6th Floor, Courtroom 2, Wilmington, Delaware 19801. At least 28 days before the Voting Deadline, the Debtors will (a) serve notice of the Confirmation Hearing upon all known creditors of the Debtors and (b) publish the notice of the Confirmation Hearing in (a) the national and international editions of the *Wall Street Journal*, (b) *USA Today*, (c) *The Los Angeles Times* and (d) *The San Francisco Chronicle*, which will contain, among other things, details regarding voting on and objecting to the Confirmation, including the Voting Deadline and the Plan Objection Deadline, and the date, time and location of the Confirmation Hearing. The notice of the Confirmation Hearing will also be posted on the Debtors' restructuring website (<https://cases.primeclerk.com/Altegrity>). **The Confirmation Hearing may be adjourned from time to time without further notice except for an announcement of the adjourned date made before or at the Confirmation Hearing or any adjournment thereof.**

(iii) *Effect of Confirmation and Consummation of the Plan*

Following Confirmation, subject to Article IX of the Plan, the Plan will be consummated on the Effective Date. Among other things, on the Effective Date, certain release, injunction, exculpation and discharge provisions set forth in Article IX of the Plan will become effective. As such, it is important to read the provisions contained in Article IX of the Plan very carefully so that you understand how Confirmation and Consummation of the Plan – which effectuates such provisions – may affect you and any claim you or the Debtors may hold against a Released Party (as defined in the Plan) so that you cast your vote accordingly. The Releasing Party release described in Article IX of the Plan provides that holders of Claims and Interests are bound by the Releasing Party release, regardless of whether the holder of Claim or Interest votes to accept or reject the Plan.

The Debtors believe that the releases set forth in the Plan are both fair and necessary to the reorganization and are appropriate because, among other things, each of the Released Parties afforded value to the Debtors and aided in the reorganization process. The Released Parties have expended significant time and resources analyzing and negotiating the issues presented by the Debtors' prepetition capital structure. The Debtors believe that each of the Released Parties played an integral role in the formulation of the Plan, which, among other things, avoids the estates' incurring an additional approximately \$259 million in "make-whole" premiums, provides for an equitable distribution to the Debtors' stakeholders and preserves the going-concern value of the Reorganizing Debtors' businesses.

Further discussion of the releases contemplated in the Plan is provided in Section VIII of this Disclosure Statement.

THE PLAN WILL BIND ALL HOLDERS OF CLAIMS AGAINST, AND INTERESTS IN, THE DEBTORS TO THE FULLEST EXTENT AUTHORIZED OR PROVIDED UNDER THE BANKRUPTCY CODE, INCLUDING SECTIONS 524 AND 1141 THEREOF, AND BY ALL OTHER APPLICABLE LAW.

II.

IMPORTANT INFORMATION ABOUT THIS DISCLOSURE STATEMENT

This Disclosure Statement provides important information regarding the Plan, which the Debtors are seeking to have confirmed by the Bankruptcy Court. The Debtors believe that confirming and implementing the Plan is in the best interests of all stakeholders. The Debtors urge all holders of Claims and Interests who are entitled to vote on the Plan to vote in favor of the Plan.

All capitalized terms used but not defined herein will have the meanings provided to them in the Plan.

The summary of the Plan provided herein is qualified in its entirety by reference to the Plan. In the case of any inconsistency between the summary provided in this Disclosure Statement and the Plan, the Plan will govern.

Confirmation and effectiveness of the Plan are subject to certain material conditions precedent contained in Article X of the Plan and described herein. There is no assurance that the Plan will be confirmed, or if confirmed, that the conditions required to be satisfied will be satisfied or otherwise waived.

The Bankruptcy Court's approval of this Disclosure Statement does not constitute a guarantee of the accuracy or completeness of the information contained herein or an endorsement of the merits of the Plan by the Bankruptcy Court.

The Debtors submit this Disclosure Statement pursuant to section 1125 of the Bankruptcy Code for the purposes of soliciting acceptances with respect to the Plan. The Disclosure Statement and the information it contains may not be relied on for any other purpose. The Debtors believe that the summary of certain provisions of the Plan and certain other documents and financial information contained or referenced in this Disclosure Statement is fair and accurate. The summaries of the financial information and the documents annexed to this Disclosure Statement, including the Plan, are qualified in their entirety by reference to those documents.

No representations concerning the Debtors or the value of the Debtors' property have been authorized by the Debtors other than as set forth in this Disclosure Statement. Any other information, representations or inducements made to obtain acceptance of the Plan should not be relied on by any holder of a Claim or Interest entitled to vote on the Plan.

This Disclosure Statement has not been approved or disapproved by the SEC or any similar federal, state, local or foreign regulatory agency, nor has the SEC or any other such agency passed upon the accuracy or adequacy of the statements contained in this Disclosure Statement.

The Debtors have sought to ensure the accuracy of the financial information provided in this Disclosure Statement, but the financial information contained in, or incorporated by reference into, this Disclosure Statement has not been and will not be audited or reviewed by the Debtors' independent auditors unless explicitly stated otherwise herein.

The Debtors make statements in this Disclosure Statement that are considered forward-looking statements under the federal securities laws. The Debtors consider all statements regarding anticipated or future matters, including, but not limited to, the following, to be forward-looking statements:

- any future effects as a result of the pendency of the Chapter 11 Cases;
- the Debtors' expected future financial position, liquidity, results of operations, profitability and cash flows;
- projected dividends, if any;
- results of litigation;
- results of any wind-down of operations
- disruption of operations;
- regulatory changes;
- plans and objectives of management for future

- financing plans;
- competitive positions;
- business strategy;
- budgets;
- projected costs and cost reductions;
- projected and estimated liability costs;
- projected revenues;
- operations;
- contractual obligations;
- off-balance sheet arrangements;
- growth opportunities for existing services;
- projected price increases;
- projected general market conditions;
- benefits from new technologies; and
- projected cash flows.

Statements concerning these and other matters are not guarantees of the Debtors' future performance. Such statements represent the Debtors' estimates and assumptions only as of the date such statements were made. There are risks, uncertainties and other important factors that could cause the Debtors' actual performance or achievements to be materially different from those they may project and the Debtors undertake no obligation to update any such statement. These risks, uncertainties and factors include, but are not limited to:

- the Debtors' ability to develop, confirm and consummate the Plan;
- the Debtors' ability to reduce their overall financial leverage;
- the potential adverse impact of the Chapter 11 Cases on the Debtors' operations, management and employees and the risks associated with operating the businesses during the Chapter 11 Cases;
- customer response to the Chapter 11 Cases;
- the impact of the wind-down of the Liquidating Debtors on the recoveries for their assets;
- inability to have claims discharged/settled during the Chapter 11 Cases;
- general economic, business and market conditions;
- the ability to pass to customers any increases in pass-through costs;
- ability to maintain and adjust pricing levels;
- business disruptions and other liabilities resulting from cyber or other security threats;
- interest rate fluctuations;
- exposure to litigation;
- dependency upon key personnel;
- ability to implement cost reductions in a timely manner;
- efficacy of new technologies;
- the financial condition of the Debtors' customers;
- adverse tax changes;
- limited access to capital resources;
- changes in laws and regulations;
- natural disasters; and
- inability to implement the Debtors' business plan.

III.
QUESTIONS AND ANSWERS REGARDING
THIS DISCLOSURE STATEMENT AND THE JOINT PLAN

A. What is Chapter 11?

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. In addition to permitting debtor rehabilitation, chapter 11 of the Bankruptcy Code promotes equality of treatment for similarly

situated creditors and similarly situated interest holders, subject to the priority of distributions prescribed by the Bankruptcy Code.

The commencement of a chapter 11 case creates an estate that includes all of the legal and equitable interests of the debtor in property as of the bankruptcy commencement or petition date. The Bankruptcy Code provides that the debtor may continue to operate its business and remain in possession of its property as a “debtor in possession.”

Consummating a plan of reorganization is the principal objective of a chapter 11 case. A plan that is confirmed by the bankruptcy court is binding on the debtor, any person acquiring property under the plan, any creditor or interest holder of the debtor and any other entity as may be ordered by the bankruptcy court, in accordance with the applicable provisions of the Bankruptcy Code. Subject to certain limited exceptions, the order issued by a bankruptcy court confirming a plan provides for the treatment of the debtor’s claims and interests in accordance with the terms of the confirmed plan.

B. What is a restructuring support agreement?

A restructuring support agreement is an agreement among a debtor and its significant stakeholders reflecting the results of their negotiations over the terms of a plan of reorganization. Such agreements generally provide for the material terms of the plan of reorganization, a timetable for the documentation, approval and consummation of the plan and a requirement that the stakeholders party to the agreement vote in favor of the plan. These agreements are often an essential step in the negotiation and implementation of a plan of reorganization.

The Debtors have entered into a Restructuring Support Agreement under which the overwhelming majority of their secured lenders have agreed to support a comprehensive restructuring that, among other things, provides the Debtors with \$90 million of new capital (including necessary new-cash availability to finance these Chapter 11 Cases), modifies key debt covenants to reflect the Company’s new financial projections, and reduces the amount of the Company’s overall indebtedness by approximately 40%.

C. What is a “make-whole” premium?

Loan agreements and bond indentures often require the borrower to pay a “make-whole” premium if the debt is repaid before its maturity. Designed to protect the investor’s bargained-for rate of return against the risk of opportunistic refinancing in a lower interest rate environment, these premiums generally consist of a lump-sum payment based on the present value of future interest payments that will not be paid because of the early repayment of the debt, reduced by interest payments that would be received by the investor if the funds were reinvested in a comparable U.S. Treasury security.

Prior to July 1, 2015, the Debtors’ Term Loan provides for payment of a “make-whole” premium in the event that the Term Loan is (i) voluntarily prepaid or (ii) accelerated as a result of an event of default under the Credit Agreement (including the commencement of an insolvency proceeding). Prior to July 1, 2017, the Debtors’ First Lien Indenture provides for payment of a “make-whole” premium in the event that any First Lien Notes are (i) redeemed pursuant to the redemption provisions under the First Lien Indenture or (ii) accelerated as a result of an event of default under the First Lien Indenture (including the commencement of an insolvency proceeding). The Debtors estimate that the “make-whole” premiums arising under the First Lien Credit Agreement and First Lien Notes Indenture would be approximately \$259 million if such premiums are triggered.

D. Why are the Debtors sending me this Disclosure Statement?

The Debtors are seeking to obtain Bankruptcy Court approval of the Plan. Before soliciting acceptances of the Plan, section 1125 of the Bankruptcy Code requires the Debtors to prepare a Disclosure Statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment regarding acceptance of the Plan. The Bankruptcy Court approved this Disclosure Statement under section 1125 of the Bankruptcy Code on [●], 2015. A copy of the Disclosure Statement Order is attached hereto as **Exhibit B**. This Disclosure Statement is being submitted to the Debtors’ stakeholders in accordance with these Bankruptcy Code requirements and the Disclosure Statement Order.

E. Am I entitled to vote on the Plan? What will I receive from the Debtors if the Plan is consummated?

Your ability to vote and the distribution and consideration that you will receive under the Plan, if any, depend on what kind of Claim or Interest you hold. As described in Section VIII of this Disclosure Statement, entitled “Description of the Joint Plan of Reorganization,” Article III of the Plan creates categories of holders of Claims and Interests, each of which is referred to as a “Class.” A summary of the Classes of Claims and Interests and a description of each Class’s voting status are set forth in the Executive Summary of this Disclosure Statement.

You should refer to this entire Disclosure Statement, the Plan and the Plan Supplement for a complete description of the classification and treatment of each Class of Claims and Interests.

For more information about the treatment of Claims and Interests, see “Description of the Joint Plan of Reorganization,” which begins on page 42.

F. What happens to my recovery if the Plan is not confirmed or does not become effective?

In the event that the Plan is not confirmed or does not become effective, there is no assurance that the Debtors will be able to reorganize their businesses. If the Plan is not confirmed in a timely manner, it is unclear whether the transactions contemplated under the Plan could be implemented and what holders of Claims and Interests would ultimately receive in respect of their Claims and Interests. It is possible that any alternative plan of reorganization may provide holders of Claims and Interests with less than they would have received pursuant to the Plan. Moreover, non-confirmation of the Plan may result in an extended chapter 11 process. For a more detailed description of the consequences of this or liquidation of the Reorganizing Debtors, see “Confirmation of the Plan,” beginning on page 89 and the Liquidation Analysis attached as **Exhibit D** to this Disclosure Statement.

G. If the Plan provides that I get a distribution, do I get it upon Confirmation or when the Plan goes effective, and what do you mean when you refer to “Confirmation,” “Effective Date” and “Consummation?”

“Confirmation” refers to approval of the Plan by the Bankruptcy Court. Confirmation does not guarantee that you will receive the distribution indicated under the Plan. After Confirmation, there are certain conditions that need to be satisfied or waived so that the Plan can be consummated or become effective. References to the “Effective Date” in the Plan and Disclosure Statement mean the date that all of these conditions have been satisfied or waived and the Plan has been fully consummated. Distributions will only be made on the Effective Date or as soon as practicable thereafter, in accordance with Article VII of the Plan (and for Claims in certain Classes that are subject to a recovery reserve, distributions will be further delayed). See “Confirmation of the Plan,” which begins on page 89, for a discussion of the conditions to Consummation.

H. What is a warrant?

A warrant is a derivative security that gives the holder the right, not the obligation, to purchase securities or equity from the issuer at a specific price within a certain time frame. The “Warrants” that form the source of recovery for holders of Allowed Class A7 Claim are five-year warrants exercisable into New Common Stock representing up to 10% of the fully diluted equity of New Altegrity at a strike price that implies a \$1.7 billion total enterprise value for New Altegrity.

I. How are the Debtors obtaining the Cash and other value required to make distributions (if applicable) to satisfy Claims?

As explained below, the Plan contemplates that the Reorganized Debtors will have sufficient cash on hand, including through the DIP Facility (as defined below) and business operations, to make any Cash distributions to holders of Claims entitled to Cash distributions under the Plan. In addition to cash on hand through the DIP Facility and business operations, the Reorganized Debtors will enter into an exit financing facility that will be a senior secured revolving credit facility with a total aggregate committed amount of up to \$60 million (the “**New Revolving**”).

Credit Facility”). The DIP Facility and New Revolving Credit Facility will be used, along with the Debtors’ cash on hand, to make any cash payments provided for in the Plan and to provide working capital after the Effective Date. Additionally, the Plan contemplates issuing (a) shares of stock in New Altegrity (which is referred to as New Common Stock), which stock will provide the source of recovery for holders of Junior Secured Claims and (b) the Warrants, which will provide the source of recovery for holders of General Unsecured Claims. The Plan also contemplates winding down the business of the Liquidating Debtors, liquidating their assets, and distributing the proceeds according to the relative priority of Allowed Claims in the Liquidating Debtors. (See “Description of the Joint Plan of Reorganization,” which begins on page 42.)

The Debtors, together with their financial advisors, determined that the aggregate amount of the New Revolving Credit Facility contemplated by the Plan, along with the New Second Lien Notes and the First Lien Credit Facility (as defined below) and the First Lien Notes (as defined below), is an appropriate level of indebtedness on the Effective Date based upon a number of considerations, including: the Reorganized Debtors’ post-emergence liquidity profile and ability to adequately service its debt obligations; the Reorganized Debtors’ expected ability to comply with its financial covenants; the Reorganized Debtors’ projected financial flexibility to execute on its financial projections, including the potential impact of leverage on the Reorganized Debtors’ expected operating performance; the risk of a protracted restructuring process on the Reorganized Debtors’ financial projections; and the ability to maximize value for all stakeholders, including by avoiding triggering of any make-whole claim.

In connection with the New Revolving Credit Facility, the First Lien Credit Agreement Agent, the First Lien Notes Collateral Agent and the Second Lien Notes Collateral Agent will enter into one or more intercreditor agreements on market terms, in form and substance reasonably acceptable to the Consenting First Lien Term Loan Lenders and the Consenting Junior Lien Creditors, which will, among other things, provide for a repurchase right at par solely for the benefit of the lenders party to the First Lien Credit Agreement if there is an event of default under the New Revolving Credit Facility.

J. Can I choose to receive either Cash or New Common Stock?

No. The determination of what you receive will be made based on which Class your Claim or Interest is included in. If you are a holder of a General Unsecured Claim against one of the Reorganizing Debtors, you will receive your recovery in the form of Warrants.

K. Are there risks to owning stock or Warrants in New Altegrity upon emergence from bankruptcy?

Yes. Please see the discussion of “Risk Factors”, which begins on page 94.

L. Is there potential litigation related to the Plan?

Yes. In the event that certain Classes of Claims and/or Interests vote to reject the Plan, the Debtors may nevertheless seek Confirmation. In that case, the Bankruptcy Court may confirm the Plan pursuant to the “cramdown” provisions of the Bankruptcy Code, which allow the Bankruptcy Court to confirm a plan that has been rejected by an Impaired Class of Claims or Interests if it determines that the Plan satisfies section 1129(b) of the Bankruptcy Code. However, there may be litigation to determine whether the Bankruptcy Code requirements have been met. For a more detailed discussion, see “Risk Factors — Risks Related to Confirmation,” beginning on page 94.

M. What is included in the solicitation packages to be sent to Claim and Interest holders who are eligible to vote on the Plan?

All parties in interest will receive notice of the Confirmation Hearing, which is the hearing at which the Debtors will seek Confirmation. Additionally, holders of Claims against and Interests in the Debtors who are eligible to vote on the Plan will receive appropriate solicitation materials that will contain important information about voting to accept or reject the Plan. The solicitation materials and documents will include an appropriate form

of Ballot, a copy of this Disclosure Statement (in CD-ROM form), detailed instructions about voting on the Plan and a copy of the Disclosure Statement Order and the Solicitation Order.

The Notices to be sent to parties in interest will state that this Disclosure Statement, the Plan and all of the exhibits thereto and related documents are available to any party free of charge from Prime Clerk, the claims and noticing agent and administrative advisor retained by the Debtors in the Chapter 11 Cases, by: (a) calling (855) 842-4125; (b) visiting <https://cases.primeclerk.com/Altegrity>; (c) emailing altegrityinfo@primeclerk.com; and/or (d) writing to Altegrity, Inc. Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 9th Floor, New York, NY 10022. You may also obtain copies of any pleadings filed in the Chapter 11 Cases for a fee via PACER at: <https://ecf.deb.uscourts.gov>. You should refer to the Solicitation Order, which is attached hereto as **Exhibit B**, with respect to any questions concerning solicitation of the Plan.

N. Will there be releases granted to parties in interest as part of the Plan?

Yes. Under the Plan, each holder of a Claim or Interest will fully release and discharge from liability the following parties, which the Plan refers to individually as a “**Released Party**”, and collectively, as the “**Released Parties**”:

- the Debtors;
- the Reorganized Debtors;
- the current and former directors and officers of the Debtors;
- the Indenture Trustees;
- the First Lien Credit Agreement Agent;
- the Consenting Interest Holders;
- the Consenting First Lien Term Loan Lenders;
- the Consenting First Lien Notes Creditors;
- the DIP Lenders;
- the Consenting Second Lien Creditors;
- the Consenting Third Lien Creditors;
- the members of the Ad Hoc Group of First Lien Creditors;
- the members of the Ad Hoc Group of Second and Third Lien Creditors; and
- with respect to each of the parties identified here, their subsidiaries, affiliates, members, officers, directors, agents, financial advisors, accountants, investment bankers, consultants, attorneys, employees, partners, affiliates and representatives in each case, only in their capacity as such.

The Plan includes a provision that provides that, as of the Effective Date, to the extent permitted by applicable law, each holder of a Claim or an Interest will be deemed, to have conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged the Debtors, the Reorganized Debtors and the Released Parties from any and all claims, interests, obligations, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims asserted on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors’ restructuring, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan, the Disclosure Statement, the Plan Supplement or related agreements, instruments or other documents, or any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument or agreement (including those set forth in the Plan Supplement, the Senior Priority Documents, and the Second Lien Notes Indenture, and all liens, security and ancillary documents related thereto (including but not limited to all Note Security Documents and the Senior Intercreditor Agreement (each as defined in the Second Lien Notes Indenture)) executed to implement the Plan.

The Plan also includes a provision that provides that, except as otherwise specifically provided in the Plan or Plan Supplement, no Exculpated Party will have or incur, and each Exculpated Party is released and exculpated from, any Exculpated Claim, obligation, Cause of Action or liability for any Exculpated Claim, except for gross negligence or willful misconduct (including fraud), but in all respects such Entities will be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Debtors and the Reorganized Debtors (and each of their respective Affiliates, agents, directors, officers, employees, advisors and attorneys) have participated in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation and distribution of the Plan securities pursuant to the Plan, and, therefore, are not, and on account of such distributions will not be, liable at any time for the violation of any applicable law, rule or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan; *provided* that for the avoidance of doubt, the Debtors, the Liquidating Debtors, the Reorganizing Debtors, and the Reorganized Debtors, as applicable, remain liable under the Senior Priority Documents and the Second Lien Notes Indenture (with respect to the New Second Lien Notes to be issued, outstanding and governed thereunder), and all liens, security and ancillary documents related thereto (including but not limited to all Note Security Documents and the Senior Intercreditor Agreement (each as defined in the Second Lien Notes Indenture)) will remain in full force and effect, each in accordance with the terms thereof, *provided* that the assets of the Liquidating Debtors shall not secure the New Second Lien Notes.

Additionally, pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or the Plan Supplement, for good and valuable consideration, including the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, on and after the Effective Date, the Released Parties are deemed released and discharged by the Debtors, the Reorganized Debtors and the Estates from any and all Claims, obligations, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity or otherwise, that the Debtors, the Reorganized Debtors, the Estates or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan and Disclosure Statement, or related agreements, instruments or other documents, or any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the release set forth in Article IX of the Plan does not release any post-Effective Date obligations of any Released Party under the Plan or any document, instrument or agreement (including those set forth in the Plan Supplement and the Senior Priority Documents) executed to implement the Plan, nor does it release any Cause of Action, obligation or liability expressly set forth in or preserved by the Plan or the Plan Supplement.

The Debtors believe that the releases set forth in the Plan are both fair and necessary to the reorganization and are appropriate because, among other things, each of the Released Parties afforded value to the Debtors and aided in the reorganization process. The Released Parties have expended significant time and resources analyzing and negotiating the issues presented by the Debtors' prepetition capital structure. The Debtors believe that each of the Released Parties played an integral role in the formulation of the Plan, which, among other things, avoids the estates' incurring an additional approximately \$259 million in "make-whole" premiums, provides for an equitable distribution to the Debtors' stakeholders and preserves the going-concern value of the Reorganizing Debtors' businesses.

O. What is the deadline to vote on the Plan?

[4:00 p.m.] (prevailing Eastern Time) on [●], 2015.

P. How do I vote for or against the Plan?

This Disclosure Statement, accompanied by a Ballot to be used for voting on the Plan, is being distributed to the holders of Claims and Interests entitled to vote on the Plan. If you are a holder of a Claim or Interest in Classes A1, A2, A3, A6, B1, B2, and B3 you may vote for or against the Plan by completing the Ballot and returning it in the envelope provided or via electronic, online transmission in accordance with the instructions provided on the Ballot and in the Voting and Tabulation Procedures.

The Debtors, with the approval of the Bankruptcy Court, have engaged Prime Clerk to serve as the claims and noticing agent and the voting agent for claims and to generally oversee the voting process (the “**Claims and Noticing Agent**”). The Claims and Noticing Agent will also process and tabulate Ballots for all voting Classes.

DELIVERY OF BALLOTS
<p>Ballots must be actually received by the Claims and Noticing Agent by the Voting Deadline of [4:00 p.m.] prevailing Eastern Time on [●] at the following addresses:</p> <p style="text-align: center;">Altegrity, Inc. Ballot Processing c/o Prime Clerk LLC 830 Third Avenue, 9th Floor New York, NY 10022</p> <p>If you received an envelope addressed to your nominee, please allow enough time when you return your Ballot for your nominee to cast your vote on a Ballot before the Voting Deadline.</p> <p>In addition to accepting submitted hard copy Ballots via first class mail, overnight courier and hand delivery, you may submit your Ballot via electronic, online transmission through a customized “E-Ballot” section on the Debtors’ case website (https://cases.primeclerk.com/altegrity/EBallot-Home) on or before the Voting Deadline.</p> <p>If you have any questions on the procedure for voting on the Plan, please call the Claims and Noticing Agent at the following telephone number:</p> <p style="text-align: center;">(855) 842-4125</p>

More detailed instructions regarding how to vote on the Plan are contained on the Ballots distributed to holders of Claims and Interests that are entitled to vote on the Plan, as well as being set forth in the Voting and Tabulation Procedures. For your vote to be counted, your Ballot must be completed and signed and **actually received** by [4:00 p.m.] by the Claims and Noticing Agent on the Voting Deadline, [●], 2015.

Any Ballot that is properly executed or filed electronically by the holder of a Claim or Interest, but which does not clearly indicate either an acceptance or rejection of the Plan or which indicates both an acceptance and a rejection of the Plan, will **not** be counted.

Each holder of a Claim or Interest may cast only one Ballot per each Claim or Interest held. It is important to follow the specific instructions provided on each Ballot. For information regarding voting, see the Section herein entitled “Voting on the Plan,” which begins on page 88 as well as the Voting and Tabulation Procedures included in the Disclosure Statement Order, which is attached here to as **Exhibit B**.

Q. Why is the Bankruptcy Court holding a Confirmation Hearing?

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court to hold a hearing on Confirmation. Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to Confirmation and be heard at the Confirmation Hearing.

R. When is the Confirmation Hearing set to occur?

The Bankruptcy Court has scheduled the Confirmation Hearing for [●], 2015 to take place at [●] [a][p].m. (prevailing Eastern Time) before the Honorable Laurie Selber Silverstein, United States Bankruptcy Judge, in the United States Bankruptcy Court for the District of Delaware, located at 824 Market Street, 6th Floor, Courtroom 2, Wilmington, Delaware 19801. **The Confirmation Hearing may be adjourned from time to time without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or any adjournment thereof.**

S. What is the deadline to object to Confirmation?

Objections to Confirmation must be filed and served on the Debtors, and certain other parties in interest, so that they are **actually received** no later than [●], 2015 at [4:00 p.m.] (prevailing Eastern Time) in accordance with the requirements set forth in the Disclosure Statement Order, which is attached to this Disclosure Statement as **Exhibit B**. Unless objections to Confirmation are timely served and filed in compliance with the Disclosure Statement Order, they may not be considered by the Bankruptcy Court.

T. What is the purpose of the Confirmation Hearing?

The consummation of a plan of reorganization is the principal objective of a chapter 11 case. The confirmation of a plan of reorganization by a bankruptcy court binds a debtor, any issuer of securities under the plan of reorganization, any person acquiring property under the plan of reorganization, any creditor or interest holder of a debtor and any other person or entity as may be ordered by the bankruptcy court in accordance with the applicable provisions of the Bankruptcy Code. Subject to certain limited exceptions, the order issued by the bankruptcy court confirming a plan of reorganization discharges a debtor from any debt that arose before the effective date of a plan and provides for the treatment of such debt in accordance with the terms of the confirmed plan of reorganization.

U. What role does the Bankruptcy Court play after the Confirmation Hearing?

After the Plan is confirmed, the Bankruptcy Court will still have exclusive jurisdiction over all matters arising out of, or related to, the Chapter 11 Cases and the Plan. In addition, the Bankruptcy Court will have exclusive jurisdiction to ensure that distributions to holders of Claims (and, to the extent applicable, Interests) are accomplished pursuant to the Plan. *See* Article XII of the Plan.

V. What is the effect of Confirmation on the Debtors' ongoing business?

The Reorganizing Debtors, including the Kroll and HireRight businesses, are reorganizing under chapter 11 of the Bankruptcy Code. As a result, Confirmation means that the Reorganizing Debtors will not be liquidated or forced to go out of business. Following Confirmation, the Plan will be consummated on the Effective Date, which is a date selected by the Debtors that is the first Business Day after which all conditions to Consummation have been satisfied or waived. *See* Article X of the Plan. On or after the Effective Date, and unless otherwise provided in the Plan, the Reorganized Debtors may operate their businesses and, except as otherwise provided by the Plan, may use, acquire or dispose of property and compromise or settle any Claims, Interest or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. Additionally, upon the Effective Date, all actions contemplated by the Plan will be deemed authorized and approved.

The Liquidating Debtors, after emergence from bankruptcy, will continue an orderly wind-down of the USIS business, and provide distributions of liquidation proceeds to the applicable stakeholders in accordance with the Plan.

In the event that the Plan is not consummated, the Plan will be null and void in all respects. Accordingly, any settlement or compromise, distribution on account of any Claim or, if applicable, Interest, assumption or rejection of Executory Contracts or Unexpired Leases affected by the Plan and any document or agreement executed pursuant to the Plan shall be deemed null and void.

W. Will any party have significant influence over the corporate governance and operations of the Reorganized Debtors?

Yes. On the Effective Date, the New Board of New Altegrity will consist of 5 directors, one of which will be the chief executive officer and the remaining four will be selected by a majority of the New Common Stock, which will be held by the holders of Class A4 Claims after the Effective Date. A New Board with respect to each individual Reorganizing Debtor will be designated according to a mechanism set forth in the Plan.

To the extent known, the identity of the members of the New Boards of New Altegrity and the Reorganized Debtors and the nature and compensation for any member of a New Board who is an "insider" under section 101(31) of the Bankruptcy Code will be identified in the Plan Supplement, but in any event, will be disclosed at or before the Confirmation Hearing.

In addition, there will be a shareholders' agreement. The shareholders' agreement, or a summary thereof, will be included in the Plan Supplement.

X. Do the Debtors recommend voting in favor of the Plan?

Yes. It is the Debtors' opinion and belief that the Plan provides for a larger distribution to the Debtors' creditors than would result from any other available alternative. The Debtors believe the Plan is in the best interests of all holders of Claims and Interests. Any other alternative, including a sale of substantially all of the Debtors' assets or liquidation under chapter 7 of the Bankruptcy Code, would realize lesser value than the value to be afforded under the Plan. Thus, the Debtors recommend that holders of Claims and Interests who are entitled to vote on the Plan vote to accept it.

Y. How do I get a distribution after my disputed claim is allowed?

For certain classes of unsecured Claims, the Plan contemplates that no payments or distributions pursuant to the Plan will be made until all Disputed Claims in the relevant Class are either Allowed or disallowed by a Final Order of the bankruptcy court. If your Claim is Allowed, the Disbursing Agent will make a distribution to you from reserved Plan consideration at the time that all Disputed Claims in your Class are either Allowed or disallowed.

IV.
ALTEGRITY'S HISTORY

A. Company Overview

Altegrity, Inc. (“**Altegrity**”), together with the other Debtors and non-Debtor subsidiaries and affiliates (the “**Company**”), is a privately held global, diversified risk and information services company serving commercial customers and government entities. For the last twelve months (“**LTM**”) ended June 30, 2014, the Company generated approximately \$1.4 billion in revenue on a consolidated basis. As of June 30, 2014, the Company had approximately \$1.7 billion in assets and \$2.1 billion in liabilities on a consolidated basis.

The Company’s three business segments—Kroll, HireRight, and USIS—were brought together through a series of acquisitions supported by Providence Equity Partners, LLC, the owner of more than 94% of the Company’s equity through its affiliates Providence Equity Partners VI L.P. and Providence Equity Partners VI-A L.P. (the Consenting Interest Holders, and, together with Providence Equity Partners, LLC, “**Providence**”). In 1996, USIS was initially formed from the privatization of a unit of the U.S. Office of Personnel Management (“**OPM**”) under an initiative of Congress and the President. In conjunction with the privatization, USIS was awarded a five-year contract with OPM to provide security-clearance background investigation services for federal agencies. Following the privatization, USIS made certain acquisitions to expand its business to include commercial customers and additional government contracts. In 2007, that business was sold by its then-existing owners to Altegrity Acquisition Corp., an affiliate of Providence. Since that time, the Company has expanded through a number of significant acquisitions, including the 2008 acquisition of HireRight, Inc., and the 2010 acquisition of Kroll Inc.

(i) The Company’s Business Operations

The Company’s three businesses, Kroll, HireRight and USIS, are summarized in the following table and described in more detail below:

Business Segment	Nature of Business	Approximate Percent of Total Net Revenues LTM June 30, 2014⁶
Kroll	Provider of investigative and due diligence advisory services, e-discovery technologies, data recovery solutions, and risk mitigation and verification services.	37% ⁷
HireRight	Provider of employment background screening, drug/health screening and employment eligibility solutions.	24%
USIS	Provider of background investigations and information management and security services to U.S. federal government agencies. ⁸	39%

a. Kroll

Kroll is a leading provider of investigative and due diligence advisory services, e-discovery technologies, data recovery solutions, and risk mitigation and verification services, with offices located in 50 cities across more than 20 countries. Headquartered in New York, New York, with more than 1,750 employees, Kroll provides critical work on investigations, due diligence checks, e-discovery and data management solutions, and risk mitigations services for corporations, financial institutions and law firms.

⁶ Note that the percentages set forth in this table reflect revenues prior to the unanticipated business disruptions experienced in the USIS business beginning in August 2014 and the GS&S Sale (as defined below).

⁷ Note that the percentages represented by Kroll revenue numbers for the LTM June 30, 2014 period include revenue from the KFD Business (as defined below) that was sold prior to the Petition Date, as discussed further in Section IV.A(i)(a).

⁸ The Company is currently in the process of winding down the remaining operations of USIS, as discussed further in Section IV.A(i)(c) below.

Kroll currently consists of two business divisions: Kroll Advisory and Kroll Ontrack. Kroll Advisory provides a broad range of investigative, compliance, due diligence, and cyber security services to its clients and customers, including financial institutions, corporations, law firms, and insurance companies. Kroll Ontrack provides law firms and corporations with technology-driven e-discovery and data management services and software solutions to help its clients manage, recover, backup, search, analyze, produce, and present data efficiently.

Kroll formerly included the business of Debtor Kroll Factual Data, Inc. (the “**KFD Business**”). The KFD Business is a national provider of risk mitigation and verification services for the mortgage, property management and insurance industries. As discussed further in Section IV.A(i)(a) below, Kroll completed the sale of the KFD Business prior to the Petition Date. For the LTM ended June 30, 2014, the KFD Business represented approximately \$90 million, or 18%, of Kroll’s revenue.

For the LTM ended June 30, 2014, Kroll generated approximately \$509 million in revenues, which represented approximately 37% of the Company’s consolidated revenue for the same period. Note that this percentage includes revenue from the KFD Business that was sold prior to the Petition Date.

b. HireRight

Headquartered in Irvine, California, HireRight is one of the world’s leading providers of technology-enabled employment background screening, drug/health screening, and employment eligibility solutions. HireRight offers services globally and counts among its clients and customers a significant portion of Fortune 500 companies. HireRight developed one of the first internet-based background screening solutions and continues to introduce a variety of innovative technology-based tools to better serve its customers.

Employing more than 1,400 individuals, HireRight generated approximately \$336 million in revenue during the LTM ended June 30, 2014, which accounted for approximately 24% of the Company’s consolidated revenue for the same period.

c. USIS

USIS is headquartered in Falls Church, Virginia, and previously consisted of two divisions: the Investigations Services Division (“**ISD**”) and the Global Security & Solutions Division (“**GS&S**”). ISD was the largest commercial provider of background investigations to the federal government through USIS’s Background Investigation Fieldwork (“**Fieldwork**”) contract with the United States Office of Personnel Management (“**OPM**”). GS&S provided personnel, information, security, services, litigation support, records management and analytics primarily to U.S. governmental agencies, including the Background Investigation Support Services (the “**Support Services**”) contract with OPM.

On September 9, 2014, USIS was notified by OPM that OPM had decided not to exercise its remaining options on either the Fieldwork or Support Services contracts and, as a result, both contracts expired by their terms on September 30, 2014 (See Section V.C(i), “Events Leading to Commencement of the Chapter 11 Cases”). In accordance with instructions from OPM and applicable law, the Fieldwork and Support Services contracts were transitioned by USIS to other government contractors. The Fieldwork and Support Services contracts together accounted for approximately \$304.5 million, or 57% of USIS’s revenues, for the LTM ended June 30, 2014.

Prior to the Petition Date, the Company completed the sale of substantially all of the remaining GS&S business (See Section V.C(i), “Events Leading to Commencement of the Chapter 11 Cases”). At this time, only two contracts remain with USIS (the “**Retained USIS Contracts**”). The revenue from the Retained USIS Contracts for the LTM ended June 30, 2014 was less than \$2.0 million, and the Company is in the process of winding-down its remaining services under those contracts.

Before the unexpected business disruption in ISD set forth in Section IV.A(i)(c) below and the sale of GS&S, USIS employed more than 5,700 individuals and generated approximately \$537.3 million in revenue for the LTM ended June 30, 2014. That revenue accounted for approximately 58.6% of the Company’s consolidated revenue for the same period. Now, in sharp contrast, USIS is in the process of liquidating its operations. USIS currently employs approximately 55 individuals who are engaged in the management of the Retained USIS Contracts, transition services following the Company’s sale of GS&S, the winding down of the remaining USIS

business, and, as discussed further in Section XII.B(xxix) below, the prosecution of claims for equitable adjustment and other recovery against OPM and the United States.

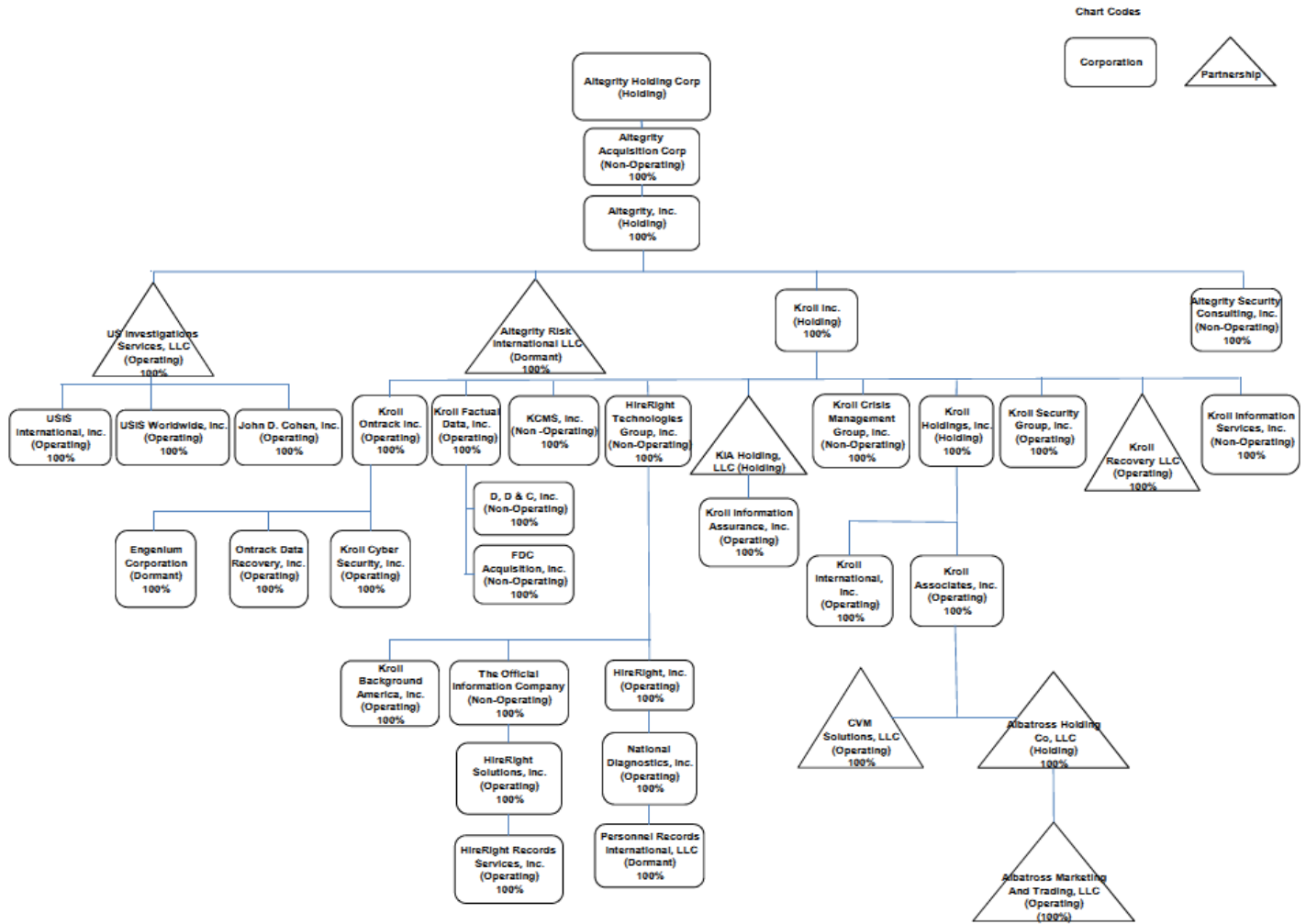
d. The Debtors’ Non-Debtor Affiliates and Subsidiaries

The group of entities making up the Company includes numerous affiliates and subsidiaries that are not Debtors in these chapter 11 cases. These non-Debtor affiliates and subsidiaries include 66 entities located in the U.S., Europe, Asia and South America.

B. Organizational Structure

(i) Overview of Debtor’s Organizational Structure

The chart below details the Debtors’ prepetition organizational structure (excluding Non-Debtor Affiliates).



(ii) The Debtors’ Non-Debtor Affiliates and Subsidiaries

As discussed above, the Company includes the Debtors as well as numerous affiliates and subsidiaries of the Debtors that are not debtors in the Chapter 11 Cases. These include domestic U.S. entities, as well as entities located in the rest of North America and South America (e.g., Canada, Colombia, Chile, Mexico and Argentina), Europe (e.g., Denmark, France, Germany, Norway, Poland, Sweden, Switzerland and the United Kingdom), Asia (e.g., Russia, the Philippines and Singapore) and Australia. Attached as **Exhibit C** to the Disclosure Statement is an

organizational chart summarizing the Company's corporate structure, including the Debtors and their Non-Debtor Affiliates and Subsidiaries as of the Petition Date.

C. Prepetition Capital Structure

(i) Overview

As of the Petition Date, the Debtors had funded debt facilities in place with a face amount of approximately \$1.79 billion, of which approximately \$1.6 billion was secured debt and approximately \$138.5 million was unsecured.

As of the Petition Date, the Debtors' secured debt included (principal amounts): (a) a \$60 million first lien senior secured revolving credit facility, of which \$21 million is currently being utilized in support of outstanding letters of credit, and \$39 million is undrawn (the "**Revolving Credit Facility**"); (b) a \$273.6 million first lien senior secured term loan (the "**Term Loan**" and, together with the Revolving Credit Facility, the "**First Lien Credit Facility**"); (c) \$825 million outstanding under certain 9.50% Senior First Lien Secured Notes due 2019 (the "**First Lien Notes**," and together with the First Lien Credit Facility, the "**First Lien Indebtedness**"); (d) \$202.1 million outstanding under certain Senior Second Lien Secured 12.00% Cash Pay and 2.00% Pay-in-Kind Notes due 2020 (the "**Series 1 Second Lien Notes**"); (e) \$283.9 million outstanding under certain Senior Second Lien Secured 10.50% Cash Pay and 2.50% Pay-in-Kind Notes due 2020 (the "**Series 2 Second Lien Notes**" and, together with the Series 1 Second Lien Notes, the "**Second Lien Notes**"); and (f) \$65.3 million outstanding under certain Senior Third Lien Secured 15.00% Pay-in-Kind Notes due 2021 (the "**Third Lien Notes**").

As of the Petition Date, the Debtors' unsecured debt included (principal amounts): (a) \$11.3 million outstanding under certain 12.00% Senior Notes due 2015 (the "**2015 12.00% Senior Notes**"); (b) \$10.9 million outstanding under certain 10.50% Senior Notes due 2015 (the "**2015 10.50% Senior Notes**" and, together with the 2015 12.00% Senior Notes, the "**2015 Senior Notes**"); (c) \$29.2 million outstanding under certain 11.75% Senior Subordinated Notes due 2016 (the "**2016 Senior Subordinated Notes**"); and (d) \$85.9 million outstanding under certain zero coupon junior subordinated notes (the "**Junior Subordinated Notes**").

The chart below summarizes the Debtors' prepetition indebtedness, including approximate current outstanding principal amounts as of the Petition Date⁹; further detail with respect to each category of debt obligation is provided below.

Debt Obligation	Original Amount	Approximate Amount Outstanding and Potential Make-Whole Payment as of the Petition Date	Maturity Date	Security Status
Revolving Credit Facility	\$60 million total commitments	\$20.6 million in issued and outstanding letters of credit ¹⁰	April 1, 2019	First Lien Secured
Term Loan	\$275 million	\$273.6 million (potential \$18.7 million make-whole payment and \$2.0 million of accrued and unpaid interest)	July 5, 2018	First Lien Secured

⁹ Payment-in-kind interest of \$10 million applicable to the Second Lien and Third Lien Notes as of January 1, 2015 is also reflected in the chart.

¹⁰ As of the Petition Date, the amount of issued and outstanding letters of credit is approximately \$21 million.

Debt Obligation	Original Amount	Approximate Amount Outstanding and Potential Make-Whole Payment as of the Petition Date	Maturity Date	Security Status
First Lien Notes	\$825 million	\$825 million (potential \$240.2 million make-whole payment and \$47.0 million of accrued and unpaid interest)	July 1, 2019	First Lien Secured
Second Lien Notes	\$480.5 million	\$486 million (potential \$179.5 million make-whole payment and \$32.1 million of accrued and unpaid interest)	July 1, 2020	Second Lien Secured
Third Lien Notes	\$60.8 million	\$65.3 million (potential \$36.3 million make-whole payment)	July 1, 2021	Third Lien Secured
2015 Senior Notes ¹¹	\$22.2 million	\$22.2 million (\$0.7 million of accrued and unpaid interest)	November 1, 2015	Unsecured
2016 Senior Subordinated Notes ¹²	\$29.2 million	\$29.2 million (\$0.9 million of accrued and unpaid interest)	May 1, 2016	Unsecured
Junior Subordinated Notes	\$50 million	\$85.9 million (\$1.1 million of accrued and unpaid interest)	January 4, 2022	Unsecured

(ii) *The Prepetition Recapitalization*

Most of the Debtors' current capital structure was put into place on July 3, 2014 as part of a comprehensive refinancing and restructuring transaction (as described more fully herein, the "**Prepetition Recapitalization**"). The Prepetition Recapitalization consisted of (a) a consent solicitation and exchange offer (the "**Exchange Offer**"), pursuant to which the Debtors (i) offered to the holders of the 2015 Senior Notes and the 2016 Senior Subordinated Notes a combination of cash and new debt in the form of the Second Lien Notes and the Third Lien Notes in exchange for their existing notes and (ii) amended the indentures governing the 2015 Senior Notes and the 2016 Senior Subordinated Notes that were not tendered as part of the Exchange Offer, (b) a refinancing (the "**First Lien Refinancing**") of the Debtors' then-existing senior secured credit facility with the proceeds of the First Lien Notes and the First Lien Credit Facility, (c) an amendment of the Junior Subordinated Notes (the "**Junior Notes**

¹¹ Untendered balance following the Prepetition Recapitalization.

¹² Untendered balance following the Prepetition Recapitalization.

Amendment) extending their maturity to January 4, 2022 and (d) a \$25 million equity contribution (the **“Equity Contribution”**) by Providence to Holding Corp.

The Prepetition Recapitalization resulted from discussions that the Debtors began with their then-existing lenders in early 2014, in advance of funded-debt maturity dates that were approaching in just over a year. At that time, the Debtors, together with their financial advisors, then explored the possibility of simply refinancing all of their funded debt in advance of its due dates, but they were informed by market participants that their refinancing ability was clouded by pending litigation involving allegations against Debtor US Investigations, LLC and by media reports and speculation associated with the USIS business. Despite these added complexities, after several months of negotiations, Altegrity, Providence and certain holders of the 2015 Senior Notes, the 2016 Senior Subordinated Notes, and the Junior Subordinated Notes reached agreement on the terms of a consensual recapitalization that was intended and expected to provide a longer-term capital structure for the businesses. In the Prepetition Recapitalization, the First Lien Refinancing was accomplished through the open market, supported by the substantial Equity Contribution provided by the existing primary shareholders, as well as the Exchange Offer and Junior Notes Amendment that consensually extended the maturity of most junior debt. To further facilitate the First Lien Refinancing, the existing primary shareholders provided \$150 million of the capital invested in the refinanced first lien debt and agreed to extend the maturities of the Junior Subordinated Notes, of which they hold 90.8% of the aggregate outstanding amount.

On May 5, 2014, the parties entered into a transaction support agreement to effectuate the Prepetition Recapitalization, and the transaction was consummated on July 3, 2014. Pursuant to the Exchange Offer, 95.6% of the 2015 Senior Notes and 80.5% of the 2016 Senior Subordinated Notes were exchanged.

(iii) The First Lien Credit Facility

The First Lien Credit Facility consists of the Term Loan and the Revolving Credit Facility, each of which are provided for under that certain Credit Agreement, dated as of July 3, 2014 (the **“Credit Agreement”**), among Altegrity Acquisition Corp., Altegrity, Goldman Sachs Bank USA, in its capacity as administrative agent and collateral agent, and the lenders party thereto. The First Lien Credit Facility is guaranteed by each of the other Debtors except Holding Corp., and is secured by a first priority security interest in substantially all of the assets of the Debtors. The Term Loan had an initial aggregate principal amount of \$275 million, and carried an outstanding balance of \$273.6 million as of the Petition Date. The aggregate revolving commitments under the Revolving Credit Facility total \$60 million, with a \$45 million letter of credit sublimit. As of the Petition Date, no amounts had been drawn under the Revolving Credit Facility, but approximately \$21 million of letters of credit were issued under the Revolving Credit Facility.

The Term Loan was originally scheduled to mature on July 1, 2019, and the Revolving Credit Facility was scheduled to mature on April 1, 2019. As a result of amendments to the First Lien Credit Facility effectuated immediately before the Petition Date, as described in Section V.C(iii)(a) below, the Term Loan is now scheduled to mature on July 5, 2018. Interest on both the Term Loan and the Revolving Credit Facility is equal to, at the option of Altegrity, (i) the alternate base rate (minimum 2.00%) plus 7.25% or (ii) the LIBOR (minimum 1.00%) rate plus 8.25%.

In the event of a re-pricing or refinancing of the Term Loan, the Term Loan is subject to a “soft-call” premium of: (i) prior to July 1, 2016, 3.00%, (ii) between July 1, 2016 and July 1, 2017, 2.00% and (iii) between July 1, 2017 and July 1, 2018, 1.00%. In addition, prior to July 1, 2015, the Term Loan provides for payment of a “make-whole” premium in the event that the Term Loan is (i) voluntarily prepaid or (ii) accelerated as a result of an event of default under the Credit Agreement (including the commencement of an insolvency proceeding).

(iv) The First Lien Notes

Altegrity issued the First Lien Notes in an aggregate principal amount of \$825 million, pursuant to that certain indenture dated as of July 3, 2014 (the **“First Lien Indenture”**), among Altegrity, each of the other Debtors except Holding Corp. as guarantors and Wilmington Trust, National Association, in its capacity as indenture trustee. The First Lien Notes are secured by a first-priority security interest in substantially all of the assets of the Debtors.

The First Lien Notes mature on July 1, 2019. Interest on the First Lien Notes accrues at 9.50%, payable in cash on July 1 and January 1 of each year. Prior to July 1, 2017, the First Lien Indenture provides for payment of a “make-whole” premium in the event that any such First Lien Notes are (i) redeemed pursuant to the redemption provisions under the First Lien Indenture or (ii) accelerated as a result of an event of default under the First Lien Indenture (including the commencement of an insolvency proceeding).

(v) *The Second Lien Notes*

Altegrity issued the Second Lien Notes in an initial aggregate principal amount of approximately \$480.5 million, consisting of approximately \$200.1 million Series 1 Second Lien Notes and \$280.4 million Series 2 Second Lien Notes, each pursuant to that certain indenture dated as of July 3, 2014 (the “**Second Lien Indenture**”), among Altegrity, each of the other Debtors except Holding Corp. as guarantors and Wilmington Trust, National Association, in its capacity as indenture trustee. The Second Lien Notes are secured by substantially all of the assets of the Debtors and, with respect to such assets, rank (i) junior to the First Lien Credit Facility, (ii) junior to the First Lien Notes and (iii) senior to the Third Lien Notes.

The Second Lien Notes mature on July 1, 2020. Interest on the Series 1 Second Lien Notes accrues at 12.00% payable in cash and 2.00% payable in kind, each on July 1 and January 1 of each year. Interest on the Series 2 Second Lien Notes accrues at 10.5%, payable in cash and 2.5%, payable in kind, each on July 1 and January 1 of each year. As of the Petition Date, the aggregate principal amount of the outstanding Second Lien Notes totaled approximately \$486 million—\$202 million outstanding under the Series 1 Second Lien Notes and \$283.8 million outstanding under the Series 2 Second Lien Notes.

(vi) *The Third Lien Notes*

Altegrity issued the Third Lien Notes in an aggregate principal amount of approximately \$60.8 million, pursuant to that certain indenture dated as of July 3, 2014 (the “**Third Lien Indenture**”), among Altegrity, each of the other Debtors except Holding Corp. as guarantors and Wilmington Trust, National Association, in its capacity as indenture trustee. The Third Lien Notes are secured by substantially all of the assets of the Debtors and, with respect to such assets, rank (i) junior to the First Lien Credit Facility, (ii) junior to the First Lien Notes and (iii) junior to the Second Lien Notes.

The Third Lien Notes mature on July 1, 2021. Interest on the Third Lien Notes accrues at 15.00%, payable in kind on July 1 and January 1 of each year. As of the Petition Date, the aggregate principal amount of the outstanding Third Lien Notes was \$65.3 million.

(vii) *2015 Senior Notes*

On October 24, 2007, Altegrity issued \$290 million in aggregate principal amount of the 2015 10.50% Senior Notes pursuant to that certain indenture, dated as of October 24, 2007, among Altegrity, each of the other Debtors except Holding Corp. as guarantors and the Wells Fargo Bank, N.A., in its capacity as indenture trustee. On August 3, 2010, Altegrity issued \$210 million in aggregate principal amount of the 2015 12.00% Senior Notes pursuant to that certain indenture, dated as of August 3, 2010, among Altegrity, each of the other Debtors except Holding Corp. as guarantors and the Wells Fargo Bank, N.A., in its capacity as indenture trustee. On September 26, 2014, Wilmington Trust, National Association succeeded Wells Fargo Bank, N.A. in its capacity as indenture trustee.

As of the Petition Date, \$10.9 million of the 2015 10.50% Senior Notes and \$11.3 million of the 2015 12.00% Senior Notes remain outstanding, representing notes that were not tendered as part of the Prepetition Recapitalization. Certain terms of the untendered 2015 Senior Notes were consensually modified as part of the Exchange Offer.

All of the 2015 Senior Notes are unsecured and mature on November 1, 2015. Interest on the 2015 10.50% Senior Notes accrues at 10.5%, payable in cash on May 1 and November 1 of each year. Interest on the 2015 12.00% Senior Notes accrues at 12.0%, payable in cash on May 1 and November 1 of each year.

(viii) 2016 Senior Subordinated Notes

On October 24, 2007, Altegrity issued \$150 million in aggregate principal amount of the 2016 Senior Subordinated Notes pursuant to that certain indenture, dated as of October 24, 2007, among Altegrity, each of the other Debtors except Holding Corp. as guarantors and Wells Fargo Bank, N.A., in its capacity as indenture trustee. On September 26, 2014, Wilmington Trust, National Association succeeded Wells Fargo Bank, N.A. in its capacity as indenture trustee.

As of the Petition Date, \$29.2 million of the 2016 Senior Subordinated Notes remains outstanding, representing notes that were not tendered as part of the Prepetition Recapitalization. Certain terms of the untendered 2016 Senior Subordinated Notes were consensually modified as part of the Exchange Offer.

The 2016 Senior Subordinated Notes are unsecured and are subordinated in right of payment to other senior indebtedness of the Debtors (including the First Lien Credit Facility, the First Lien Notes, the Second Lien Notes, the Third Lien Notes and the 2015 Senior Notes). The 2016 Senior Subordinated Notes mature on May 1, 2016. Interest on the 2016 Senior Subordinated Notes accrues at 11.75% payable in cash on May 1 and November 1 of each year.

(ix) Junior Subordinated Notes

On August 3, 2010, Altegrity issued \$50 million in aggregate principal amount of Junior Subordinated Notes with an aggregate face amount of \$104.1 million. The Junior Subordinated Notes initially were scheduled to mature on August 2, 2016, with the face amount payable in full upon maturity. In connection with the Prepetition Recapitalization, 100% of the holders of the Junior Subordinated Notes agreed to extend the maturity of such notes until January 4, 2022. The Junior Subordinated Notes are held primarily by Altegrity's majority shareholder, and the agreement to extend the majority of these notes (along with the majority shareholder's \$25 million equity infusion) was a voluntary concession to facilitate the Prepetition Recapitalization.

The Junior Subordinated Notes do not bear periodic cash interest, but rather accrete in principal amount at a yield of 13.0%, compounded annually. The Junior Subordinated Notes are unsecured and are subordinated in right of payment to all senior indebtedness of the Debtors (including the First Lien Credit Facility, the First Lien Notes, the Second Lien Notes, the Third Lien Notes, the 2015 Senior Notes and the 2016 Senior Subordinated Notes). As of the Petition Date, \$85.9 million of the Junior Subordinated Notes remains outstanding.

(x) Common Stock and Preferred Stock

Altegrity Holding Corp. is authorized to issue 60,000,000 shares of \$0.01 par value common stock, of which 25,232,821 shares were issued and outstanding as of the Petition Date. Altegrity Holding Corp. is also authorized to issue 50,000,000 shares of \$0.01 par value preferred stock, of which 25,000,000 shares were issued and outstanding as of the Petition Date.

V.**EVENTS LEADING TO COMMENCEMENT OF THE CHAPTER 11 CASES**

The following is a general description of the factors that led to the commencement of the Chapter 11 Cases on February 8, 2015.

A. Events at USIS Leading to the Loss of the OPM Contracts and the Closure of ISD**(i) Data Intrusion**

In early June of 2014, USIS personnel detected the possibility that USIS's technology infrastructure had been the subject of an external intrusion attack (the "**Data Intrusion**"). Upon detecting the Data Intrusion, the Company responded swiftly and comprehensively to ensure that the attack was contained, to remediate any harm and to implement security enhancements designed to minimize future risks. Among other things, USIS immediately notified ISD's primary customer, OPM, of the Data Intrusion. USIS also communicated with federal law enforcement agencies as well as its other customers, and provided frequent and ongoing briefings to various federal

government officials. The Company disclosed the Data Intrusion to its lenders and potential lenders in June 2014 in connection with the closing of the prepetition recapitalization and exchange offer that closed on July 3, 2014.

Following the Data Intrusion, USIS's outside legal counsel initiated an investigation, retained an independent and internationally respected third-party computer forensics investigative firm to assist in the investigation and remediation efforts, and notified law enforcement. USIS invested substantial resources in investigating, containing and remediating the Data Intrusion following the incident, and has also invested substantial resources since the Data Intrusion in further enhancing the security of its certified and compliant information systems.

(ii) Exercise of Contract Options; Temporary Stop-Work Orders

On August 1, 2014, OPM issued letters to USIS indicating the government's preliminary intent to exercise its contract options for the next twelve-month period, commencing on October 1, 2014, for the Fieldwork and Support Services contracts.

On August 6, 2014, OPM issued notice of a temporary stop-work order related to only USIS's Fieldwork contract. The stop-work notice was issued just five (5) days after OPM had issued letters to USIS indicating the government's preliminary intent to exercise its contract options for the next twelve-month period for the Fieldwork and Support Services contracts. In the stop-work notice, OPM instructed USIS to temporarily stop work under its Fieldwork contract until such time as OPM was satisfied that all risks related to the Data Intrusion were fully identified and understood, and until sufficient remedies were satisfactorily in place.

Upon receipt of the stop-work order, the Company implemented immediate actions to stop work and, as directed by OPM, to minimize the incurrence of costs allocable to the work covered by the Fieldwork contract, including the immediate furlough of over 2,000 USIS employees. Following the issuance of the August 6, 2014 stop-work order by OPM, the Company received stop-work orders related to services performed on other USIS government contracts, resulting in additional lost revenue.

(iii) Loss of OPM Contracts

On September 9, 2014, the Company submitted a report to OPM from the independent computer forensics firm that was engaged to investigate and remediate the Data Intrusion. The report explained that, after conducting an extensive investigation, the forensics investigations firm concluded that USIS had been the victim of an advanced state-sponsored attack. The independent forensic report further concluded that (i) USIS appropriately responded to the attack; (ii) there had been no external intrusion activity in USIS's systems for over two months; (iii) the attack had been contained; and (iv) perhaps most significantly, USIS had met all of the government's stated conditions for lifting the stop-work orders. Notwithstanding both the report of the independent computer forensics firm and OPM's own August 1, 2014 letter indicating the government's intent to renew both the Fieldwork and the Support Services contracts, later that same day on September 9, 2014, OPM notified the Company that the government had decided not to exercise its remaining options on either contract. Thus, both the Fieldwork and the Support Services contracts expired by their terms on September 30, 2014.

The loss of the Fieldwork and Support Services contracts carried substantial collateral costs for USIS and the Company, including (i) transition all of work under the contracts to new service providers, as required under the terms of the contracts, OPM, and applicable law, (ii) shifting focus from improving the performance of ISD to winding it down and (iii) substantial time preparing detailed submissions to OPM to recover remediation and transition of services costs to which USIS is entitled under the OPM contracts. USIS continues to pursue these cost recovery actions against OPM.

The stop-work orders and the loss of the Fieldwork and Support Services contracts resulted in the loss of revenue to USIS of approximately \$314 million, or 58.6% of USIS's revenue and 23% of the Company's overall revenue, for the twelve-month period ended June 30, 2014.

B. Concerns regarding Liquidity and Covenant Demands under the Existing Credit Agreement and the Debtors' Secured Note Indentures

As a result of the change in circumstances at USIS in the fall of 2014, the Company examined its liquidity and its future ability to comply with the terms of its existing indebtedness. In particular, the cost of remediation efforts related to the Data Intrusion, the loss of significant revenues associated with the USIS work stoppage, and non-renewal of the Fieldwork and Support Services left the Company with less cash than forecasted. At the same time, cash interest payments totaling \$65.2 million for the First Lien Notes and the Second Lien Notes were due on January 1, 2015. A default in the payment of interest on the First Lien Notes or the Second Lien Notes would trigger cross-default provisions in the Existing First Lien Credit Facility and, if such a default caused an acceleration of the First Lien Notes or the Second Lien Notes, would trigger cross-default provisions in the Third Lien Indenture as well.

C. The Debtors' Prepetition Restructuring Efforts

In the fall of 2014, the Company engaged Alix Partners, LLP, Evercore Group, LLC and its legal advisors, Debevoise & Plimpton LLP, to assist the Company in the evaluation of its financial position and cash flows and to review the Company's alternatives. With the assistance of its advisors, the Company diligently pursued cash management and cost reduction initiatives in order to preserve liquidity, and also began to explore the sale of certain non-core assets. Nevertheless, in light of the substantial risk that the Company would have insufficient cash available to meet upcoming interest payments on its funded debt, the Company initiated restructuring discussions with its significant creditor constituencies and Providence, its primary stockholder.

The Company's cash management and cost reduction initiatives did not leave them with sufficient liquidity to make interest payments on their funded debt at the beginning of January 2015. The Company's prepetition efforts did result in the successful completion of two sale transactions shortly before the Petition Date, as well as the execution of the Restructuring Support Agreement for the consensual restructuring of the Company with the support of holders of approximately 78% of the Debtors' First Lien Notes and approximately 95% of their Second Lien Notes and Third Lien Notes.

(i) Sale of GS&S and KFD Businesses

The Company began to explore a sale of certain assets in the fall of 2014 as part of its liquidity management efforts. Two of those assets — GS&S, the remaining portion of the USIS business, and the KFD Business — attracted buyer interest at favorable prices. Ultimately, in consultation with their secured lender groups, the Debtors determined to complete the sales of those businesses.

In October 2014, the Company engaged a financial advisor with relevant industry experience to conduct a comprehensive marketing process for GS&S. During the following two months, the Company's financial advisor held discussions with over 20 potential buyers and conducted an extensive due diligence process. On December 24, 2014, following extensive diligence and negotiations with multiple potential buyers, Debtor US Investigations Services, LLC entered into a stock purchase agreement with purchaser PAE Shield Acquisition Company, Inc., an affiliate of Pacific Architects and Engineers Incorporated, to sell two of its subsidiaries—Labat-Anderson Incorporated and US Investigations Services, Professional Services Division, Inc.—and certain of its assets, which together comprise substantially all of GS&S, for a purchase price of \$60 million (subject to customary closing adjustments) (the "**GS&S Sale**"). In connection with the GS&S Sale, the Company agreed to provide (and be compensated for) certain transition services to the purchaser following the closing. The GS&S Sale closed on January 15, 2015.

On September 23, 2014, Debtor Kroll Inc. entered into a letter of intent with CBC Companies, Inc. ("**CBC**") to sell substantially all of the assets of the KFD Business. In addition to a comprehensive, but ultimately unsuccessful, marketing process for the KFD Business in 2013, the Company's financial advisors and representatives also held discussions with a number of other potential strategic and financial buyers during this period in 2014 regarding the sale of the KFD Business. No other party indicated a willingness to acquire the KFD Business on better terms than those offered by CBC.

Following a period of diligence and negotiations, on December 12, 2014, the parties entered into an asset purchase agreement pursuant to which an affiliate of CBC agreed to purchase the KFD Business for \$106 million (subject to a \$10 million escrow for certain indemnification obligations and customary closing adjustments) (the “**KFD Sale**”). The asset purchase agreement provided that the employees of the KFD Business would be offered employment by the purchaser. In addition, Debtor Kroll Inc. provided an indemnity to the purchaser for substantially all pre-closing liabilities and agreed to provide (and be compensated for) certain transition services to CBC following the closing. The KFD Sale closed on January 20, 2015.

The GS&S and KFD Sales, together with the winding-down of the ISD business, have left the Debtors’ ongoing operations concentrated around the core Kroll and HireRight businesses, both of which continue to be strong businesses with significant opportunities for growth.

(ii) *Creditor Negotiations*

In the fall of 2014, the Company, with the assistance of its restructuring advisors, began discussions with the Ad Hoc Group of Second and Third Lien Creditors, the professionals representing an *ad hoc* group of unaffiliated first lien creditors (the “**Ad Hoc First Lien Group**”), and Providence concerning a restructuring of the Company and its debt obligations.

Beginning in mid-October 2014, in order to facilitate an open dialogue with the Ad Hoc Group of Second and Third Lien Creditors, the Company entered into confidentiality agreements with certain of its members and held the first of many in-person meetings that would take place over the next several months. Over time, additional group members also entered into confidentiality agreements with the Company and joined discussions, along with their legal and financial advisors. Throughout the fall, the Company’s senior management and advisors met with the group’s restricted members and their advisors on numerous occasions, hosted multiple individual business-level meetings, and provided access to data and information through a document datasite. On November 12, 2014, the Ad Hoc Group of Second and Third Lien Creditors, through its advisors, provided the Company with its initial proposal for a comprehensive restructuring to be implemented through a prepackaged chapter 11 plan of reorganization. Taking this proposal as an indication of the Ad Hoc Group of Second and Third Lien Creditors’ willingness to pursue a consensual path forward, the Company began arm’s-length negotiations with the Ad Hoc Group of Second and Third Lien Creditors on the specific terms of a financial restructuring of the Company.

As negotiations with the Ad Hoc Group of Second and Third Lien Creditors progressed, the Company continued to engage in discussions with Providence and also began discussions with the professionals for the Ad Hoc First Lien Group, who entered into confidentiality agreements with the Company on October 28, 2014 and November 5, 2014. As with the Ad Hoc Group of Second and Third Lien Creditors, the Company’s senior management met with the professionals for the Ad Hoc First Lien Group on multiple occasions and facilitated a robust due diligence process. In December 2014 and January 2015, individual members of the Ad Hoc First Lien Group entered into confidentiality agreements with the Company and engaged in diligence and negotiations.

Throughout this period, the Debtors and their advisors continued to engage in constructive discussions with each of the Ad Hoc First Lien Group and the Ad Hoc Group of Second and Third Lien Creditors. Over time, it became clear that a consensual restructuring on terms agreeable to both creditor groups would, if achievable, result in minimum disruption to the Company’s business operations, minimize administrative expenses associated with the restructuring and, therefore, maximize the Company’s overall value for the benefit of its constituents. The Debtors and their advisors, therefore, began actively negotiating the terms of a consensual restructuring with both creditor groups.

On January 14, 2015, the Company and its advisors met with members of the Ad Hoc First Lien Group, the Ad Hoc Group of Second and Third Lien Creditors and their advisors, as well as advisors to Providence, for an all-day in-person negotiation session to reach an agreement in principle on the terms of an in-court restructuring. The agreement contemplated a pre-arranged chapter 11 filing by the Company in order to implement the following restructuring transactions: (i) a new-money investment by holders of the Second Lien Notes and Third Lien Notes of \$90 million, initially provided in the form of debtor-in-possession financing and ultimately convertible to a second-lien investment in the reorganized Company; (ii) the pre-petition amendment and subsequent reinstatement of the First Lien Credit Facility and the First Lien Notes; (iii) the offer to pay down \$110 million of the First Lien Indebtedness in accordance with the agreements governing the First Lien Indebtedness using proceeds of the KFD

Sale and GS&S Sale; and (iv) the conversion of Second Lien Notes and Third Lien Notes to substantially all of the equity in the reorganized Company.

On February 2, 2015, the Company signed the Restructuring Support Agreement, which as of the Petition Date had been countersigned by holders of approximately 78% of the funded First Lien Indebtedness, approximately 95% of Second Lien Notes and Third Lien Notes and Providence, as the primary equity owner.

(iii) The Restructuring Support Agreement

a. First Lien Facility Amendment and First Lien Notes Amendment

Pursuant to the Restructuring Support Agreement, the Debtors and their lenders under the First Lien Credit Agreement entered into an amendment on February 6, 2015 to, among other things, (i) shorten the maturity of the Term Loan by one year to July 5, 2018; (ii) waive the Financial Performance Covenant (as defined in the First Lien Credit Agreement) for all quarters prior to emergence from these chapter 11 cases and eight quarters following emergence, and thereafter reset the covenant to a level that provides the Company with a cushion of 25% - 30% from its business plan; (iii) waive the change of control default that would otherwise be triggered by the restructuring; (iv) add a minimum total liquidity covenant of \$30 million starting the fifth quarter after emergence; (v) permit the Debtors to obtain a new senior secured credit facility of up to \$60 million, with capacity for the issuance of letters of credit; and (vi) waive all existing defaults under the First Lien Credit Agreement (the “**First Lien Facility Amendment**”). In exchange for their consents to the First Lien Facility Amendment, the Company paid a cash fee equal to 350 basis points to eligible lenders (which did not include Providence).

Also pursuant to the Restructuring Support Agreement, the Debtors entered into a February 6, 2015 amendment of the First Lien Indenture to, among other things, (a) waive all existing non-monetary defaults under the First Lien Indenture; (b) permit the Debtors to obtain a new super-priority revolving credit facility of up to \$80 million; and (c) waive the change of control default that could otherwise be triggered by the restructuring and amend the change of control definition (the “**First Lien Notes Amendment**”). No amendment fee was paid in connection with the First Lien Notes Amendment.

Importantly, if the Restructuring Support Agreement terminates in accordance with its terms, then the First Lien Facility Amendment and First Lien Notes Amendment will be rendered void *ab initio* and of no force and effect. As a result, the lenders would doubtless assert that the “make-whole” premiums arising under the First Lien Credit Agreement and First Lien Notes Indenture discussed above had been triggered, giving rise to approximately \$259 million in additional First Lien Indebtedness.

b. Deleveraging of the Debtors’ Balance Sheet

The Restructuring Support Agreement provides that holders of Second and Third Lien Notes will convert their debt into equity and become the new owners of the Reorganized Debtors. In addition, the Restructuring Support Agreement provides that the Debtors will segregate \$110 million of the net cash proceeds from the KFD Sale and GS&S Sale, and will use those proceeds to offer to pay down the First Lien Indebtedness on the Effective Date in accordance with the agreements governing the First Lien Indebtedness. The Ad Hoc First Lien Group agreed to permit the Debtors to retain the remaining net cash proceeds from these sales for reinvestment in the business (principally capital expenditures) and to fund payment of the amendment fee payable in connection with the First Lien Facility Amendment. This consent would become null and void if the Plan is not confirmed and implemented in accordance with the Restructuring Support Agreement.

c. New Capital Investment

The Ad Hoc Group of Second and Third Lien Creditors agreed to invest \$90 million in new capital in the Debtors in the form of a multi-draw, junior-priority secured debtor-in-possession financing (the “**DIP Facility**”) that, rather than being payable in cash upon the Debtors’ exit from chapter 11, will be converted into a new second lien debt instrument that will provide necessary liquidity to fund the Debtors’ business and capital obligations post-restructuring.

The entire \$90 million commitment under the DIP Facility has been funded into escrow. The Debtors made an initial drawing of \$22.5 million (such amount drawn, the “**Initial Draw**”) of the DIP Facility on February 11, 2015, and an additional draw of \$22.5 million on March 20, 2015. The remainder of the DIP Facility will be drawn at the Effective Date and will become a new-money infusion that will fund payments due on the Effective Date and will provide the Debtors with adequate liquidity to fund operations post-restructuring.

Under the Plan, the amounts borrowed under the DIP Facility will be repaid with New Second Lien Notes with interest payable in kind at the rate of 13.5% per annum, convertible to 11.50% cash pay interest per annum once the Reorganized Debtors’ consolidated total leverage ratio reaches 5.0 to 1.0.

d. Plan Treatment

The Restructuring Support Agreement also specifies the treatment of prepetition Claims against the Debtors.

e. Case Milestones

The Restructuring Support Agreement also sets forth certain case milestones, which may be amended or waived in the discretion of the lenders. These milestones include: (i) the Debtors must file a plan and disclosure statement within 50 days of the Petition Date, (ii) the Debtors must obtain confirmation of the plan within 140 days of the Petition Date and (iii) the Debtors emerging from chapter 11 within 150 days of the Petition Date.

VI.

COMMENCEMENT OF THE CHAPTER 11 CASES

On the Petition Date, each of the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware. The Chapter 11 Cases are being jointly administered for procedural purposes only under the caption *In re Altegrity, Inc., et. al.*, Case No. 15-10226 (LSS), before the Honorable Laurie Selber Silverstein. The Debtors continue to operate their businesses and manage their properties as debtors in possession under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court.

A. “First Day” Motions and Related Relief

To ensure a smooth transition to operations in chapter 11, the Debtors filed a number of motions with the Bankruptcy Court seeking relief designed to, among other things, prevent interruptions to the Debtors’ business, ease the strain on the Debtors’ relationships with certain essential constituents, including employees, vendors, customers and utility providers, provide access to immediate financing and allow the Debtors to retain certain advisors to assist them with the administration of the Chapter 11 Cases. At a hearing held on February 10, 2015, the Bankruptcy Court entered several orders granting the Debtors initial requests for relief, as discussed below.

(i) Procedural orders

To facilitate a smooth and efficient administration of the Chapter 11 Cases and minimize the impact to daily business operations, the Bankruptcy Court entered certain “procedural” orders by which the Bankruptcy Court (a) approved the joint administration of each of the Debtors’ Chapter 11 Cases [Docket No. 43]; (b) authorized the appointment of Prime Clerk as claims and noticing agent [Docket No. 52]; and (c) prohibited utilities from altering, refusing or discontinuing service [Docket No. 45].

(ii) Operational Orders

Recognizing that any interruption of the Debtors’ businesses, even for a brief period of time, would negatively impact their operations, customer relationships, revenue and profits while seeking to facilitate the stabilization of their businesses and effectuate a smooth transition into operating as debtors in possession, the Debtors sought and obtained orders authorizing them, on an interim basis, to:

- Maintain customer programs and honor their prepetition obligations arising under or relating to those customer programs [Docket No. 49];
- Pay prepetition wages, salaries and other compensation, reimbursable employee expenses and employee medical and similar benefits [Docket No. 55];
- Pay prepetition claims of critical vendors up to an aggregate amount of \$8 million [Docket No. 51];
- Pay certain prepetition taxes and fees [Docket No. 46];
- Continue prepetition insurance programs and pay all obligations in respect of those prepetition insurance programs [Docket No. 47];
- Maintain their existing cash management systems [Docket No. 50]; and
- Obtain postpetition secured financing, grant liens and superpriority claims, use cash collateral and grant adequate protection [Docket No. 53].

Following the Bankruptcy Court's interim approval of the operational orders on February 10, 2015, the Bankruptcy Court, on March 13 and 16, 2015, entered Amended and Final Orders authorizing the Debtors to pay prepetition wages, salaries and other compensation, reimbursable employee expenses and employee medical and similar benefits Docket No. 198, pay the prepetition claims of certain critical and priority vendors and foreign vendors Docket No. 185, maintain customer programs and honor prepetition obligations arising under or relating to those customer programs Docket No. 184 and maintain their existing cash management systems Docket No. 199.

B. Initial Financing Order

In addition to the Debtors' initial procedural and operational relief, the Debtors filed a motion on the Petition Date seeking authority to ensure adequate access to liquidity during their Chapter 11 Cases.

The Debtor's primary source of financing during their Chapter 11 Cases is ongoing access to cash collateral, as well as the DIP Facility. The DIP Facility consists of a multi-draw, junior-priority secured funded escrow facility in the amount of \$90 million (\$45 million of which is available to be drawn during the Chapter 11 Cases) which will be converted into a new second lien debt instrument upon the Effective Date. The Bankruptcy Court entered an interim order approving the Debtors' access to consensual use of cash collateral and a draw of interim availability of \$22.5 million under the DIP Facility on February 10, 2015 Docket No. 53 (the "**Interim DIP Order**"). The Debtors used the funds generated by the DIP Facility to fund working capital needs.

On March 16, 2015, the Bankruptcy Court entered a Final Order approving the DIP Facility Docket No. 207 (the "**Final DIP Order**"), authorizing consensual use of cash collateral under agreed terms during these chapter 11 cases and authorizing a further draw of \$22.5 million under the DIP Facility. The Debtors drew the full amount of such incremental availability under the DIP Facility on March 20, 2015.

VII. **DEVELOPMENTS DURING THE CHAPTER 11 CASES**

A. Appointment of the Statutory Committees

(i) Appointment of the Creditors' Committee

Section 1102 of the Bankruptcy Code requires that, absent an order of the Bankruptcy Court to the contrary, the U.S. Trustee must appoint a committee of unsecured creditors as soon as practicable. On February 25, 2015, the U.S. Trustee appointed the Official Committee of Unsecured Creditors in the Chapter 11 Cases (the "**Creditors' Committee**"), and the U.S. Trustee added an additional member to the Creditors' committee on March 5, 2015. The Creditors' Committee is comprised of the following members:

- BOK Financial, as Indenture Trustee for 2016 Senior Subordinated Notes;
- Insight Direct USA, Inc.;
- JLP Credit Opportunity Master Fund Ltd.;
- VMWare, Inc.;
- Delaware Trust Company, as Indenture Trustee for the 2015 12.00% Senior Notes; and
- Angela Rodriguez.

The Creditors' Committee subsequently retained Wilmer Cutler Pickering Hale and Dorr LLP, as legal counsel [Docket No. [●]]; Bayard, P.A., as legal counsel [Docket No. [●]]; Capstone Advisory Group LLC, as financial advisor [Docket No. [●]]; and Prime Clerk LLC, as information agent [Docket No. [●]].

B. Retention of Professionals

During the course of their Chapter 11 Cases, the Debtors obtained Bankruptcy Court approval to retain Professionals to assist in carrying out their duties as debtors in possession and to represent their interests in the Chapter 11 Cases. Specifically, the Debtors have retained the following professionals:

- AlixPartners LLP, as restructuring advisor [Docket No.197];
- Debevoise & Plimpton LLP, as co-counsel [Docket No. 201];
- Deloitte Financial Advisory Services LLP, as valuation consultant [Docket No. [●]];
- Evercore Group LLC, as financial advisor and investment banker [Docket No. 196];
- PricewaterhouseCoopers LLP, as independent auditor [Docket No. 234];
- Prime Clerk LLC, as claims and noticing agent [Docket No. 52] and administrative advisor [Docket No. 236]; and
- Young Conaway Stargatt & Taylor, LLP, as co-counsel [Docket No. 200].

In addition to these professionals, the Debtors have also retained law firms as “ordinary course professionals” to advise them with respect to certain of the Debtors’ daily business operations, including pending litigation matters and the Debtors’ non-Debtor foreign affiliates and subsidiaries, pursuant to the Ordinary Course Professional Order [Docket No. 204].

C. The Claims Process

(i) *Filing of the Debtors’ Statements of Financial Affairs and Schedules of Assets and Liabilities*

On March 20, 2015, the Debtors filed their statements of financial affairs and schedules of assets and liabilities (collectively, the “**SOFAs and Schedules**”) pursuant to section 521 of the Bankruptcy Code and Bankruptcy Rule 1007. The SOFAs and Schedules provide information concerning each Debtor’s assets, liabilities (including accounts payable), Executory Contracts and other financial information as of the Petition Date. Copies of the Debtors’ SOFAs and Schedules are available free of charge by accessing <https://cases.primeclerk.com/Altegrity>.

(ii) Establishment of the Claims Bar Date

On March 20, 2015, the Bankruptcy Court entered an order [Docket No. 238] (the “**Bar Date Order**”) establishing April 30, 2015 (the “**Bar Date**”) as the deadline by which each person or entity asserting a claim against any of the Debtors was required to file written proof of such claim. In accordance with the Bar Date Order, the Debtors provided written notice of the Bar Date to each of the parties and entities identified as holders of Claims on the SOFAs and Schedules and to all known actual or potential holders of Claims of the Debtors according to the Debtors’ books and records at the time of mailing of the notice. For known holders of Claims, this notice was accompanied by a “personalized” proof of claim form approved by the Bankruptcy Court. Additionally, in an effort to reach unknown holders of Claims, the Debtors published notice of the Bar Date in (a) the national and international editions of the *Wall Street Journal*, (b) *USA Today*, (c) *The Los Angeles Times* and (d) *The San Francisco Chronicle*.

(iii) Claims Review and Objection Process

As of [●], approximately [●] Proofs of Claim had been filed against the Debtors, totaling more than [●] in asserted liabilities. More than [●] of these filed Proofs of Claim have been asserted in “unliquidated” amounts or contain an “unliquidated” component. The following table – which is provided for informational purposes only – summarizes the number of Proofs of Claim and their aggregate asserted amounts that were filed against each Debtor, including the Debtors’ estimates, where available, with respect to Proofs of Claim filed in “unliquidated” amounts:

Debtor	Total Number of Claims Asserted	Total Estimated Amount
[●]...		

D. Rejection and Assumption of Executory Contracts and Unexpired Leases**(i) Summary of Rejection and Assumption of Material Contracts and Leases**

The Debtors are party to thousands of contracts and leases as part of the ordinary course of their business operations. During the course of the Chapter 11 Cases, the Debtors have reviewed, and will continue to review until Confirmation, their Executory Contracts and Unexpired Leases to identify for rejection certain contracts and leases that do not provide a net benefit to the Debtors’ estates.

On February 27, 2015, the Debtors filed a motion to reject fifteen unexpired real property leases Docket No. 135. On March 20, 2015, the Bankruptcy Court entered a Final Order approving the rejection of these real property leases Docket No. 235. On March 27, 2015, the Debtors filed a motion to reject three unexpired real property leases [Docket No. 332].

E. The Debtors’ Employees, Management Team and Board of Directors**(i) Employees**

As of the Petition Date, the Debtors employ a total of approximately 2,300 employees, of which approximately 2,150 are full-time employees, 45 are part-time employees, and 100 are intermittent employees whose hours vary on a project-by-project basis.

In addition, the Debtors engage approximately 215 independent contractors, who support the Debtors’ business operations and assist in discharging client engagements. The Debtors also contract with approximately 55 third-party staffing companies that provide critical support personnel to the Debtors, including reporting, accounting and other office support services. Under one of the Debtors’ largest and most important staffing company contracts with an outsourced offshore provider of support services, the Debtors are provided with as many as 600 dedicated

individuals who perform services that are fundamental to the day-to-day operations of the Debtors. In addition, the Debtors have agreements with approximately 270 subcontractors that provide additional personnel to complement the Debtors' consulting and advisory services through delivery of project-specific services that the employees are unable to provide.

(ii) *Management Team*

The following individuals comprise the Debtors' senior management team as of the Petition Date.

- **Mr. Jeffrey S. Campbell** is Altegrity's President and Chief Financial Officer. Prior to joining Altegrity in May 2010, Mr. Campbell served as the Executive Vice President and CFO of AlphaPharma Inc. Prior to joining AlphaPharma in 2002, Mr. Campbell spent 15 years with Ingersoll-Rand Company serving in several financial leadership roles. He began his professional career at Price Waterhouse where he served as an Audit Manager. Mr. Campbell is currently a director of Rogers Group Inc. He holds a Master of Business Administration from Rutgers Graduate School of Management and a Bachelor of Arts from Rutgers College.
- **Mr. Emanuele Conti** is the President and Chief Executive Officer of Kroll. Prior to joining Kroll in 2014, Mr. Conti served as President, North America, of Dun & Bradstreet from October 2012 to March 2014. Mr. Conti also served as President — Europe, President — International and Vice President — Small Business Solutions while at Dun & Bradstreet. Mr. Conti has a Bachelor of Science degree from Bowling Green State University and a Master of Business Administration from the University of Chicago.
- **Mr. John Fennelly** is the Chief Executive Officer of HireRight. Before joining HireRight, Mr. Fennelly led the wealth management division at Thomson Reuters. Prior to that, he held a number of leadership positions with Xeye, Financial Models Co., Sungard Data Services, and Smith Barney. Mr. Fennelly holds a Bachelor of Arts degree from Hartwick College.
- **Mr. David R. Fontaine** is Altegrity's Executive Vice President, Chief Legal and Administrative Officer and Corporate Secretary. Prior to joining Altegrity in January 2009, Mr. Fontaine served as the Executive Vice President, Chief Administrative Officer, General Counsel and Corporate Secretary of Travelex Business Payments from January 2005 to December 2008. Mr. Fontaine also served as Executive Vice President, General Counsel, Chief Risk Officer and Corporate Secretary of American Management Systems, Inc. Mr. Fontaine formerly served as partner at the Washington, DC law firm of Miller, Cassidy, Larocca & Lewin, LLP. Mr. Fontaine holds a juris doctorate from the Yale Law School and a bachelor of arts degree in Economics and American Studies from Trinity College, Hartford, CT.
- **Mr. Brett D. Weinblatt** is Senior Vice President and Chief Accounting Officer of Altegrity. Prior to joining Altegrity in 2011, Mr. Weinblatt served in executive-level roles with Avis Budget Group/Cendant for five years, first as senior vice president, controller, then senior vice president, chief accounting officer and corporate controller. Previously, Mr. Weinblatt held senior finance roles at AlphaPharma from 2002-2005, including vice president and chief financial officer of U.S. Pharmaceuticals from 2003-2005. From 1995-2002, Mr. Weinblatt was with Honeywell International/Allied Signal, where he served in positions of increasing responsibility, including as Director, Corporate Business Planning and Analysis, Director, Corporate Development for the Specialty Chemicals segment. He started his finance career with Deloitte and Touche in 1991. Mr. Weinblatt earned a Bachelor of Science degree in Accounting from Rutgers College in 1991 and is a Certified Public Accountant.

(iii) Board of Directors

The following persons comprise the current board of directors of Altegrity (the “**Board**”):

- **Mr. Steven W. Alesio** is an Operating Partner of Providence Equity, the majority owner of Altegrity, and Chairman of the Board of Altegrity. Prior to joining Providence Equity in 2010, Mr. Alesio was most recently chairman of the board and CEO of Dun & Bradstreet Corporation, a provider of credit information on businesses and corporations. He held these positions from 2005 until his retirement from Dun & Bradstreet in 2010. From 2001 to 2005, he served in various senior leadership positions with the firm, including senior vice president, president and chief operating officer, and was elected to the board of directors. Prior to joining Dun & Bradstreet in 2001, Mr. Alesio spent 19 years with the American Express Company, where he served in marketing and general management roles. Mr. Alesio also serves on the boards of directors of Ascend Learning, Blackboard, CDW and Miller Heiman. He is the founding sponsor and senior advisor of the All Stars Project of New Jersey, a non-profit organization focused on inner-city youth. Mr. Alesio received a Master of Business Administration from the Wharton School of the University of Pennsylvania and a Bachelor of Science from St. Francis College.
- **Mr. Charles E. Gottdiener** is a Managing Director of Providence Equity, focused on portfolio operations and is based in its New York office. Mr. Gottdiener is currently a director of Blackboard, SRA International, Survey Sampling International and Virtual Radiologic. Prior to joining Providence Equity in 2010, Mr. Gottdiener spent seven years at Dun & Bradstreet, where he served in a number of strategy and operating roles, including as president of the global risk, analytics and internet solutions business unit. Prior to joining Dun & Bradstreet in 2002, Mr. Gottdiener held several leadership positions in consulting with the Boston Consulting Group, CSC Index and Cap Gemini Ernst & Young. Mr. Gottdiener received a Master of Business Administration from the Wharton School of the University of Pennsylvania and a Bachelor of Arts from Grinnell College.
- **Mr. Julian Markby** has been a director of Altegrity, Inc. and served on the Audit and Compensation Committees since October 2014. Mr. Markby has also been a member of the Board of MPM Holdings Inc. and predecessor companies since April 2013 and is currently Chairman of the Audit Committee. He has also been a member of the Board of Thiele Kaolin Company since April 2011 and is currently Chairman of the Audit Committee. He has also been Chairman of the Board of SP Fiber Holdings, Inc. since December 2013 and has been a director and member of the Audit and Compensation Committees since September 2012. In addition, he has been a director of NewPage Corporation from January 2011 to December 2012. Previously, Mr. Markby was an investment banker for over 25 years, most recently at Wasserstein Perella and Dresdner Kleinwort Wasserstein for over 8 years.
- **Mr. Alfred T. Mockett** has over 30 years of experience in executive and non-executive roles across global technology, telecommunications and professional services companies. Most recently, Mr. Mockett served as Chief Executive Officer and a member of the board of directors of Dex One Corporation, a leading marketing solutions company. In addition, Mr. Mockett currently serves as Chairman of Hibu Group Limited, a provider of online marketing solutions and websites to small and medium-sized enterprises. Mr. Mockett’s extensive experience includes executive management and strategic decision-making roles with Motive, Inc., American Management Systems, BT Group (formerly British Telecom), and Memorex Telex.
- **Mr. R. Davis Noell** is a Managing Director of Providence Equity and is based in its New York office. Mr. Noell is currently a director of the Chernin Group, SunGard Data Systems, Stream Global Services and World Triathlon Corp. (Ironman). He was previously a director of GLM. Prior to joining Providence Equity in 2003, Mr. Noell was an analyst in Deutsche Bank’s media investment banking group. Mr. Noell received a Bachelor of Arts from the University of North Carolina at Chapel Hill.

- **Mr. Christopher C. Ragona** is a Managing Director of Providence Equity based in the firm's Providence, Rhode Island office. He is currently a director of Q9 Networks and SRA International. Prior to joining Providence Equity in 2007, Mr. Ragona was a vice president with GTCR Golder Rauner, where he worked primarily on investments in the transaction processing, technology services and business process outsourcing industries. Previously, Mr. Ragona was with Oak Hill Capital Management, McKinsey & Company and Bowles Hollowell Conner & Company. He received a Master of Business Administration from the Stanford Graduate School of Business and a Bachelor of Arts from Duke University.

F. Litigation and Adversary Proceedings

WARN Litigation

On October 3, 2014, a putative class action was filed against US Investigations Services, LLC alleging violations of the Worker Adjustment and Retraining Notification Act, 29 U.S.C. §§ 2101 et seq. (the “**WARN Act**”). On February 9, 2015, the same lawsuit was filed as an adversary proceeding before the Court captioned *Karaniewsky, et al. v. Altegrity, Inc., et al.*, Adv. Proc. No. 15-50204 (LSS). The lawsuit also seeks to hold certain other Altegrity entities liable jointly with US Investigations Services, LLC on a “single employer” theory. Plaintiffs Thomas Karaniewsky and Angela Rodriguez were employed by US Investigations Services, LLC and worked at their homes as a Record Searcher II and Senior Investigator, respectively. In or around September 30, 2014, US Investigations Services, LLC terminated their employments, and those of over 1,000 other employees at various locations, after the federal government unexpectedly ended a large contract. US Investigations Services, LLC gave the affected employees written notice, but did not provide 60 days of notice. Plaintiffs contend these terminations without 60 days’ notice were a violation of the WARN Act. US Investigations Services, LLC contends that it cannot be held liable to the plaintiffs and/or other members of the putative class for a numbers of reasons, including (1) the terminations in question were ordered by the U.S. government, not US Investigations Services, LLC, within the meaning of the WARN Act, (2) if WARN Act notice was required, US Investigations Services, LLC gave notice that satisfied the WARN Act pursuant to the “not reasonably foreseeable business circumstances” exception to the WARN Act’s notice requirements, (3) US Investigations Services, LLC’s terminations of the employees’ employments were technical terminations of employment that did not constitute employment losses due to the “Nondisplacement of Qualified Workers” provision of Section 5 of Executive Order 13495, and (4) WARN Act notice was not triggered with respect to the Plaintiffs and most putative class members because there were not a sufficient number of “employment losses” at the relevant single sites of employment. US Investigations Services, LLC also contests the certification of the class action. US Investigations Services, LLC also claims it acted in good faith, such that if US Investigations Services, LLC is found to have violated the WARN Act the Bankruptcy Court should reduce the amount of any otherwise applicable liability pursuant to 29 U.S.C. Sec. 2104(a)(4). The other Altegrity entity defendants join in the defenses that US Investigations Services, LLC asserts, and also deny the allegation that they exercised de facto control over USIS or can otherwise be held to be a “single employer” with US Investigations Services, LLC.

VIII.
DESCRIPTION OF THE JOINT PLAN OF REORGANIZATION

THIS SECTION VIII IS INTENDED ONLY TO PROVIDE A SUMMARY OF THE KEY TERMS, STRUCTURE, CLASSIFICATION, TREATMENT AND IMPLEMENTATION OF THE PLAN, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE ENTIRE PLAN AND EXHIBITS THERETO. ALTHOUGH THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT INCLUDE SUMMARIES OF THE PROVISIONS CONTAINED IN THE PLAN AND IN DOCUMENTS REFERRED TO THEREIN, THIS DISCLOSURE STATEMENT DOES NOT PURPORT TO BE A PRECISE OR COMPLETE STATEMENT OF ALL RELATED TERMS AND PROVISIONS, AND SHOULD NOT BE RELIED ON FOR A COMPREHENSIVE DISCUSSION OF THE PLAN. INSTEAD, REFERENCE IS MADE TO THE PLAN AND ALL SUCH DOCUMENTS FOR THE FULL AND COMPLETE STATEMENTS OF SUCH TERMS AND PROVISIONS. THE PLAN ITSELF (INCLUDING ATTACHMENTS) AND THE PLAN SUPPLEMENT WILL CONTROL THE TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN. TO THE EXTENT THERE ARE ANY INCONSISTENCIES BETWEEN THIS SECTION VIII AND THE PLAN (INCLUDING ANY ATTACHMENTS THERETO) AND THE PLAN SUPPLEMENT, THE LATTER SHALL GOVERN.

A. Administrative Claims, Priority Tax Claims, DIP Claims and Statutory Fees

In accordance with section 1123(a)(1) of the Bankruptcy Code, the Plan does not classify Administrative Claims, Priority Tax Claims and DIP Claims. These Classes are excluded from the Classes of Claims and Interests set forth in Article III of the Plan and have the treatment set forth below.

As described below, the projected recovery under the Plan for holders of Administrative Claims and Priority Tax Claims is 100%.

Additionally, the Debtors estimate that the total amount of DIP Claims will aggregate approximately \$90 million plus interest as of the Effective Date. As described below, the projected recovery under the Plan for holders of DIP Claims is 100%.

(i) Administrative Claims

a. Administrative Claims

The Plan defines an Administrative Claim as any Claim for costs and expenses of administration pursuant to sections 507(a)(2), 507(b) or 1114(e)(2) of the Bankruptcy Code, including:

- the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estates and operating the businesses of the Debtors;
- compensation for legal, financial advisory, accounting and other services and reimbursement of expenses Allowed pursuant to sections 328, 330(a), 331 or 363 of the Bankruptcy Code or otherwise for the period commencing on the Petition Date and through the Effective Date;
- DIP Claims;
- all fees and charges assessed against the Estates pursuant to chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1-4001; and
- all requests for compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases pursuant to sections 503(b)(3), (4) and (5) of the Bankruptcy Code.

The Plan provides that, except with respect to Administrative Claims that are Claims for Accrued Professional Compensation and except to the extent that a holder of an Allowed Administrative Claim and the

applicable Debtor or Reorganized Debtor agrees to less favorable treatment to such holder, each holder of an Allowed Administrative Claim will be paid in full, in Cash, on the later of: (a) the Effective Date or as soon as reasonably practicable thereafter; (b) the first Business Day after the date that is ten (10) Business Days after the date such Administrative Claim becomes an Allowed Administrative Claim; (c) the date or dates agreed to by the Debtors and the Holder of the Allowed Administrative Claim; and (d) the date such Allowed Administrative Claim becomes due and payable by its terms, or as soon thereafter as is practicable. All distributions on account of Allowed Administrative Claims will be made by the Debtors

b. Professional Compensation

i. Claims for Accrued Professional Compensation

The Plan defines “Accrued Professional Compensation” as, at any given moment, all accrued, contingent or unpaid fees (including success fees) for legal, financial advisory, accounting and other services and obligations for reimbursement of expenses rendered or incurred before the Effective Date that are awardable or allowable under sections 328, 330(a) or 331 of the Bankruptcy Code to any retained Professional in the Chapter 11 Cases, or that are awardable or allowable under section 503 of the Bankruptcy Code, that have not been denied by a Final Order, all to the extent that any such fees and expenses have not been previously paid. To the extent that the Bankruptcy Court or any higher court denies or reduces by a Final Order any amount of a Professional’s fees or expenses, then those reduced or denied amounts will no longer constitute Accrued Professional Compensation. For the avoidance of doubt, Accrued Professional Compensation will not include any accrued, contingent or unpaid fees for services and obligations for reimbursement of expenses rendered or incurred before the Effective Date by any Entity retained pursuant to the Ordinary Course Professional Order and authorized to be compensated thereunder without filing a fee application.

The Plan provides that Professionals or other Entities asserting a Claim for Accrued Professional Compensation for services rendered before the Effective Date must file and serve on the Debtors and such other Entities who are designated by the Bankruptcy Rules, the Confirmation Order, the Interim Compensation Order or other order of the Bankruptcy Court an application for final allowance of such Claim for Accrued Professional Compensation no later than 45 days after the Effective Date. Additionally, the Plan provides that the Reorganized Debtors may pay retained Professionals or other Entities in the ordinary course of business after the Effective Date without the need to file a final fee application.

Objections to any Claim for Accrued Professional Compensation must be filed and served on the Reorganized Debtors, the Creditors’ Committee, the U.S. Trustee and the requesting party no later than 75 days after the Effective Date.

ii. Post-Effective Date Fees and Expenses

The Plan provides that, upon the Effective Date, the Reorganized Debtors may employ and pay any Professional for services rendered or expenses incurred after the Effective Date in the ordinary course of business without any further notice to any party or action, order or approval of the Bankruptcy Court.

iii. Professional Fee Escrow

The Plan provides that, on the Effective Date, the Debtors will establish and fund the Professional Fee Escrow. Funds held in the Professional Fee Escrow will not be considered property of the Debtors’ Estates or property of the Reorganized Debtors, but will revert to the Reorganized Debtors after all Professional Fee Claims allowed by the Bankruptcy Court have been paid in full. The Professional Fee Escrow will be held in trust for the Professionals and for no other parties until all Professional Fee Claims Allowed by the Bankruptcy Court have been paid in full. Professional Fees owing to the Professionals will be paid in Cash to such Professionals from funds held in the Professional Fee Escrow when such Claims are Allowed by an order of the Bankruptcy Court.

c. Administrative Claim Bar Date

Importantly, the Plan provides for the following deadlines with respect to Administrative Claims:

- **except as otherwise provided in Section 2.1 of the Plan, requests for payment of Administrative Claims must be filed and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than 45 days after the Effective Date; and**
- **objections to such requests, if any, must be filed and served on the Reorganized Debtors and the requesting party no later than the Claims Objection Bar Date.**

Notwithstanding the foregoing requirements in the Plan, no request for payment of an Administrative Claim need be filed with respect to an Administrative Claim previously Allowed by Final Order, including all Administrative Claims expressly Allowed under the Plan.

Holders of Administrative Claims who are required to, but do not, file and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped and enjoined from asserting such Administrative Claims against the Debtors or Reorganized Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date.

The Debtors reserve the right to ask the Bankruptcy Court to establish an earlier deadline with respect to administrative claims against the Liquidating Debtors. If such an earlier deadline is established, separate notice will be provided.

(ii) Priority Tax Claims

The Plan defines a “Priority Tax Claim” as any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code. The Plan defines “Governmental Unit” as any domestic, foreign, provincial, federal, state, local or municipal (a) government, (b) governmental agency, commission, department, bureau, ministry or other governmental entity, (c) natural resource trustee agency or (d) any other governmental unit as defined in section 101(27) of the Bankruptcy Code.

The Plan provides that each holder of an Allowed Priority Tax Claim due and payable on or before the Effective Date will receive, at the option of the Debtors, with the approval of the Consenting First Lien Creditors and Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld, in full and final satisfaction, settlement, release, and compromise of its Allowed Priority Tax Claim, one of the following treatments:

- Cash in an amount equal to the amount of such Allowed Priority Tax Claim;
- Cash in an aggregate amount of such Allowed Priority Tax Claim payable in installment payments over a period of time not to exceed five years after the Petition Date, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; or
- such other treatment as may be agreed upon by such holder and the Debtors, with the approval of the Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld, or otherwise determined upon an order of the Bankruptcy Court.

The projected recovery under the Plan for holders of Allowed Priority Tax Claims is 100%.

(iii) DIP Claims

The Plan defines a “DIP Claim” as any Claim derived from or based upon the DIP Loan Agreement, including the DIP Term Claims.

The Plan provides that DIP Claims will be Allowed and deemed to be Allowed Claims in the amount of \$90 million plus any DIP PIK Interest. Holders of DIP Claims will receive, on the Effective Date, as indefeasible payment in full and final satisfaction of the DIP Claims, New Second Lien Notes in the full Allowed amount of their Claims against the Reorganizing Debtors. The Second Lien Notes Indenture will remain outstanding following the Effective Date to allow for the New Second Lien Notes to be issued, outstanding and governed thereunder, and all liens, security and ancillary documents related thereto (including but not limited to all Note Security Documents and the Senior Intercreditor Agreement (each as defined in the Second Lien Notes Indenture)) will remain in full force and effect with respect to such New Second Lien Notes; *provided* that the assets of the Liquidating Debtors will not secure the New Second Lien Notes.

(iv) **Statutory Fees**

The Plan provides that the Debtors will pay in full, in Cash, any fees due and owing to the U.S. Trustee, including quarterly fees payable under 28 U.S.C. § 1930(a)(6), plus interest due and payable under 31 U.S.C. § 3717 (if any), on all disbursements, including Plan payments and disbursements in and outside the ordinary course of the Debtors' business at the time of Confirmation. On and after the Effective Date, the Reorganized Debtors will pay the applicable U.S. Trustee fees for each of the Reorganized Debtors when due in the ordinary course until such time as the Bankruptcy Court enters a final decree in such Reorganized Debtor's Chapter 11 Case.

The Debtors estimate that the total amount of fees owed to the U.S. Trustee on the Effective Date pursuant to Section 2.4 of the Plan will total approximately \$211,900.

B. Classification and Treatment of Claims and Interests

To the extent a Class contains Allowed Claims or Interests with respect to any Debtor, the classification of Allowed Claims and Interests is specified below.

Reorganizing Debtors Classes

(i) **Treatment of Class A1 – Reorganizing Debtors First Lien Credit Agreement Claims**

- a. **Classification:** Class A1 consists of all First Lien Credit Agreement Claims against the Reorganizing Debtors.
- b. **Allowance:** Class A1 Claims shall be Allowed Claims pursuant to the Plan in the aggregate principal amount of not less than \$294,213,221, plus accrued but unpaid interest, fees, expenses, including any reasonable attorneys', accountants', appraisers', and financial advisors' fees and expenses that are chargeable or reimbursable under the Loan Documents (as defined in the Final DIP Order) and other amounts due in accordance with the terms of the First Lien Credit Agreement, and without giving effect to the obligations arising under Section 2.12 of the First Lien Credit Agreement, as of the Petition Date.
- c. **Treatment:** The legal, equitable and contractual rights of the holders of the First Lien Credit Agreement Claims against the Reorganizing Debtors are unaltered by the Plan. The First Lien Credit Agreement Claims shall be Reinstated upon the Effective Date.
- d. **Impairment and Voting:** Class A1 for each of the applicable Reorganizing Debtors is Unimpaired, and holders of Class A1 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class A1 Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such First Lien Credit Agreement Claims.

(ii) ***Treatment of Class A2 – Reorganizing Debtors First Lien Notes Claims***

- a. ***Classification:*** Class A2 consists of all First Lien Notes Claims against the Reorganizing Debtors.
- b. ***Allowance:*** Class A2 Claims shall be Allowed Claims pursuant to the Plan in the aggregate principal amount of \$825,000,000, plus accrued but unpaid interest, fees, expenses, including any reasonable attorneys', accountants', appraisers', and financial advisors' fees and expenses that are chargeable or reimbursable under the Loan Documents (as defined in the Final DIP Order) and other amounts due in accordance with the terms of the First Lien Notes Indenture, and without giving effect to the obligations arising under Section 602 of the First Lien Notes Indenture, as of the Petition Date.
- c. ***Treatment:*** The legal, equitable and contractual rights of the holders of the First Lien Notes Claims against the Reorganizing Debtors are unaltered by the Plan. The First Lien Notes Claims shall be Reinstated upon the Effective Date.
- d. ***Impairment and Voting:*** Class A2 for each of the applicable Debtors is Unimpaired, and holders of Class A2 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class A2 Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such First Lien Notes Claims.

(iii) ***Treatment of Class A3 – Reorganizing Debtors Lien Claims***

- a. ***Classification:*** Class A3 consists of all Lien Claims against the Reorganizing Debtors.
- b. ***Treatment:*** On or as soon as practicable after the Effective Date, each holder of an Allowed Claim in Class A3 for each of the applicable Reorganizing Debtors, in full and final satisfaction of its Secured Claim, shall receive one of the following treatments at the option of the applicable Reorganizing Debtor (with the consent of the Consenting Junior Lien Creditors, which consent shall not be unreasonably withheld):
 - i. payment of the Allowed Claim in full in Cash on the later of the Effective Date or as soon as practicable after a particular Claim becomes Allowed;
 - ii. such other treatment as may be agreed to by the applicable Reorganizing Debtor and the holder (with the consent of the Consenting Junior Lien Creditors, which consent shall not be unreasonably withheld); or
 - iii. the holder shall retain its Lien on such property and be Reinstated.
- c. ***Impairment and Voting:*** Class A3 for each of the applicable Reorganizing Debtors is Unimpaired, and holders of Class A3 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class A3 Lien Claims are not

entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Lien Claims.

(iv) *Treatment of Class A4 – Reorganizing Debtors Secured Second Lien Notes Claims*

- a. *Classification:* Class A4 consists of all Secured Second Lien Note Claims against the Reorganizing Debtors and the Liquidating Debtors.
- b. *Allowance:* Class A4 Claims shall be Allowed Claims pursuant to the Plan in the aggregate amount of \$519,265,011.85, plus fees, expenses and other amounts due in accordance with the terms of the Second Lien Notes Indenture, with the Secured portion of such Allowed Claim receiving treatment pursuant to this Class A4.
- c. *Treatment:* Each holder of Class A4 Claims, in full and complete satisfaction, discharge and release of the Secured portion of such Claims against the Reorganizing Debtors, shall receive its Pro Rata share of the Second Lien Distribution.
- d. *Impairment and Voting:* Class A4 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.

(v) *Treatment of Class A5 – Reorganizing Debtors Secured Third Lien Notes Claims*

- a. *Classification:* Class A5 consists of all Secured Third Lien Notes Claims against the Reorganizing Debtors and the Liquidating Debtors.
- b. *Allowance:* Class A5 Claims shall be Allowed Claims pursuant to the Plan in the aggregate amount of \$66,304,133.00, plus fees, expenses and other amounts due in accordance with the terms of the Third Lien Notes Indenture, with the Secured portion of such Allowed Claim receiving treatment pursuant to this Class A5.
- c. *Treatment:* Each holder of Class A5 Claims, in full and complete satisfaction, discharge and release of the Secured portion of such Claims against the Reorganizing Debtors, shall receive its Pro Rata share of the Third Lien Distribution.
- d. *Impairment and Voting:* Class A5 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.

(vi) *Treatment of Class A6 – Reorganizing Debtors Other Priority Claims*

- a. *Classification:* Class A6 consists of all Other Priority Claims against the Reorganizing Debtors.
- b. *Treatment:* Each holder of an Allowed Claim in Class A6 for each of the applicable Reorganizing Debtors shall receive, on or as soon as reasonably practicable after the Initial Distribution Date, in full and final satisfaction of its Claim, one of the following treatments on account of such Claim, determined at the option of the applicable Reorganizing Debtor, with the approval of the Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld:

- i. payment of the Allowed Claim in full in Cash on the later of the Effective Date or as soon as practicable after such claim becomes Allowed; or
 - ii. such other treatment as may be agreed to by the applicable Reorganizing Debtor and the holder, with the approval of the Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld.
- c. ***Impairment and Voting:*** Class A6 for each of the applicable Reorganizing Debtors is Unimpaired, and holders of Class A6 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class A6 Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Other Priority Claims.

(vii) ***Treatment of Class A7 – Reorganizing Debtors Unsecured Claims***

- a. ***Classification:*** Class A7 consists of all (a) General Unsecured Claims, (b) 2015 Senior Notes Claims, (c) 2016 Senior Subordinated Notes Claims, (d) Second Lien Notes Deficiency Claims, and (e) Third Lien Notes Deficiency Claims, each as against the Reorganizing Debtors.
- b. ***Treatment:*** Except to the extent a holder of an Allowed Class A7 Claim agrees to less favorable treatment with the Debtors or the Reorganized Debtors, as applicable, in full and complete satisfaction, discharge and release of such Claims, each holder of an Allowed Class A7 Claim shall receive its Pro Rata share of the Warrants, subject to obligations of holders of 2016 Senior Subordinated Notes Claims under the “pay over” provisions set forth in the 2016 Senior Subordinated Notes Indenture.
- c. ***Impairment and Voting:*** Class A7 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.
- d. ***Second Lien Notes Deficiency Claim and Third Lien Notes Deficiency Claim:*** Notwithstanding that holders of Second Lien Notes Deficiency Claims and Third Lien Notes Deficiency Claims are entitled to vote, as part of the settlements and compromises set forth in the Plan, the holders of Second Lien Notes Deficiency Claims and Third Lien Notes Deficiency Claims will agree to waive, and shall be conclusively deemed to have waived, distributions of Warrants on account of such deficiency claims in Class A7. In calculating each holder’s Pro Rata share of the Warrants, Second Lien Notes Deficiency Claims and Third Lien Notes Deficiency Claims shall be excluded from both the numerator and the denominator.
- e. ***Turnover:*** Pursuant to Section 510(a) of the Bankruptcy Code, in making distributions to holders of Claims in Class A7, the Disbursing Agent shall give effect to any and all subordination and “pay over” provisions set forth in the in the 2016 Senior Subordinated Notes Indenture, with the effect that distributions of Warrants that otherwise would be payable to holders of 2016 Senior Subordinated Notes Claims shall instead be deemed paid to holders of Senior Indebtedness (as defined in the 2016 Senior Subordinated Notes Indenture). For the avoidance of doubt, the holders of Second Lien Notes and the holders of Third Lien Notes have not waived and shall not be deemed to have waived their right as a result of any such subordination and “pay over” provisions to receive all Plan consideration payable or otherwise

distributable and shall retain the right to enforce such subordination and “pay over” provisions and be paid in full in Cash or otherwise prior to holders of 2016 Senior Subordinated Notes Claims receiving any payments or distributions from the Debtors or the Reorganized Debtors.

- f. *Section 12(g) of the Exchange Act:* If the number of holders of Warrants will exceed (A) 2,000 or more persons or (B) 500 or more persons who are not accredited investors such that New Altegrity would be required to register with the SEC under Section 12(g) of the Exchange Act, the Reorganized Debtors will provide a cashing-out program with respect to the Class A7 Reorganizing Debtors Unsecured Claims and the number of holders of Warrants will be reduced so as not to exceed such threshold. The Warrants will include transfer restrictions that will prevent such Warrants from being transferred if such transfer would result in registration under Section 12(g) of the Exchange Act.

(viii) *Treatment of Class A8 – Altegrity, Inc. Junior Subordinated Notes Claims*

- a. *Classification:* Class A8 consists of the Junior Subordinated Notes Claims against Altegrity, Inc.
- b. *Allowance:* Class A8 Claims shall be Allowed Claims pursuant to the Plan in the aggregate amount of \$86,969,472.00.
- c. *Treatment:* Holders of Class A8 Claims shall not receive or retain any property on account of such Class A8 Claims, and all such Claims shall be cancelled and discharged.
- d. *Impairment and Voting:* Class A8 is Impaired. In accordance with section 1126(g) of the Bankruptcy Code, the holders of Class A8 Claims are conclusively presumed to reject the Plan and are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Claims.

(ix) *Treatment of Class A9 – Reorganizing Debtors Intercompany Claims*

- a. *Classification:* Class A9 consists of the Intercompany Claims held by any Reorganizing Debtor against any other Reorganizing Debtor.
- b. *Treatment:* At the election of the applicable Reorganizing Debtor, with the approval of the Consenting First Lien Creditors and Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld, Intercompany Claims shall (A) be Reinstated, (B) remain in place subject to certain revised documentation, (C) be modified or cancelled as of the Effective Date, (D) include Cash payments to address the treatment of certain foreign obligations of the Company, or (E) with respect to certain Intercompany Claims in respect of goods, services, interest and other amounts that would have been satisfied in Cash directly or indirectly in the ordinary course of business had they not been outstanding as of the Petition Date, may be settled in Cash. The Plan Supplement shall set forth the applicable Debtor’s election with respect to the treatment of each Intercompany Claim.

- c. **Voting:** Class A9 for each of the applicable Reorganizing Debtors is Impaired. As proponents of the Plan, the holders of Class A9 Intercompany Claims are conclusively presumed to accept the Plan and are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Claims.

(x) ***Treatment of Class A10 – Interests in Altegrity Holding Corp.***

- a. **Classification:** Class A10 consists of any and all Altegrity Holding Corp. Interests, and all Claims arising from or relating to Interests in Altegrity Holding Corp. that are subject to subordination under Section 510 of the Bankruptcy Code.
- b. **Treatment:** Holders of Class A10 Claims and Interests shall not receive or retain any property on account of such Class A10 Claims and Interests, and all such Claims and Interests shall be cancelled and discharged.
- c. **Impairment and Voting:** Class A10 Claims and Interests are Impaired. In accordance with section 1126(g) of the Bankruptcy Code, the holders of Class A10 Claims and Interests are conclusively presumed to reject the Plan and are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Claims and Interests.

(xi) ***Treatment of Class A11 – Interests in the Subsidiary Debtors that are Reorganizing Debtors***

- a. **Classification:** Class A11 consists of any and all Interests in the Subsidiary Debtors that are Reorganizing Debtors.
- b. **Treatment:** At the option of the Debtors, with the approval of the Consenting First Lien Creditors and Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld, on the Effective Date, all Class A11 Interests shall either (A) be Reinstated and the legal, equitable and contractual rights to which Holders of such Allowed Interests are entitled shall remain unaltered so as to maintain the organizational structure of the Debtors as such structure existed on the Petition Date, (B) be cancelled, or (C) be transferred pursuant to the Plan.
- c. **Impairment and Voting:** Class A11 Interests are Impaired or Unimpaired. As proponents of the Plan, the holders of Class A11 Interests are conclusively presumed to accept the Plan and are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Interests.

Liquidating Debtors Classes

(xii) ***Treatment of Class B1 – Liquidating Debtors First Lien Credit Agreement Claims***

- a. **Classification:** Class B1 consists of all First Lien Credit Agreement Claims against the Liquidating Debtors.
- b. **Allowance:** Class B1 Claims shall be Allowed Claims pursuant to the Plan in the aggregate principal amount of not less than \$294,213,221, plus

accrued but unpaid interest, fees, expenses, including any reasonable attorneys', accountants', appraisers', and financial advisors' fees and expenses that are chargeable or reimbursable under the Loan Documents (as defined in the Final DIP Order) and other amounts due in accordance with the terms of the First Lien Credit Agreement, and without giving effect to the obligations arising under Section 2.12 of the First Lien Credit Agreement, as of the Petition Date.

- c. ***Treatment:*** The legal, equitable and contractual rights of the holders of the First Lien Credit Agreement Claims against the Liquidating Debtors are unaltered by the Plan. The First Lien Credit Agreement Claims shall be Reinstated upon the Effective Date and, in the course of the wind-down of the Liquidating Debtors, the proceeds of collateral, including any cash proceeds resulting from the sale or other monetization of all assets of the Liquidating Debtors subject to valid security interests with respect to such Claims, shall be applied in accordance with the terms of the Senior Priority Documents.
- d. ***Impairment and Voting:*** Class B1 for each of the applicable Liquidating Debtors is Unimpaired, and holders of Class B1 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class B1 Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such First Lien Credit Agreement Claims.

(xiii) ***Treatment of Class B2 – Liquidating Debtors First Lien Notes Claims***

- a. ***Classification:*** Class B2 consists of all First Lien Notes Claims against the Liquidating Debtors.
- b. ***Allowance:*** Class B2 Claims shall be Allowed Claims pursuant to the Plan in the aggregate principal amount of \$825,000,000, plus accrued but unpaid interest, fees, expenses, including any reasonable attorneys', accountants', appraisers', and financial advisors' fees and expenses that are chargeable or reimbursable under the Loan Documents (as defined in the Final DIP Order) and other amounts due in accordance with the terms of the First Lien Notes Indenture, and without giving effect to the obligations arising under Section 602 of the First Lien Notes Indenture, as of the Petition Date.
- c. ***Treatment:*** The legal, equitable and contractual rights of the holders of the First Lien Notes Claims against the Liquidating Debtors are unaltered by the Plan. The First Lien Notes Claims shall be Reinstated upon the Effective Date and, in the course of the wind-down of the Liquidating Debtors, the proceeds of collateral, including any cash proceeds resulting from the sale or other monetization of all assets of the Liquidating Debtors subject to valid security interests with respect to such Claims, shall be applied in accordance with the terms of the Senior Priority Documents
- d. ***Impairment and Voting:*** Class B2 for each of the applicable Liquidating Debtors is Unimpaired, and holders of Class B2 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class B2 Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such First Lien Notes Claims.

(xiv) ***Treatment of Class B3 – Liquidating Debtors Lien Claims***

- a. **Classification:** Class B3 consists of all Lien Claims against the Liquidating Debtors.
- b. **Treatment:** On or as soon as practicable after the Effective Date, each holder of an Allowed Claim in Class B3 for each of the applicable Liquidating Debtors, in full and final satisfaction of its Secured Claim, shall receive one of the following treatments at the option of the applicable Liquidating Debtor (with the consent of the Consenting Junior Lien Creditors, which consent shall not be unreasonably withheld):
 - i. the collateral securing such Allowed Secured Claim;
 - ii. cash in an amount equal to the value of the collateral securing such Allowed Secured Claim; or
 - iii. such other treatment required under section 1124(2) of the Bankruptcy Code for such Claim to be rendered unimpaired within the meaning of section 1124 of the Bankruptcy Code.
- c. **Impairment and Voting:** Class B3 for each of the applicable Liquidating Debtor is Unimpaired, and holders of Class B3 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class B3 Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Liquidating Debtors Lien Claims.

(xv) **Treatment of Class B4 – Liquidating Debtors Secured Second Lien Notes Claims**

- a. **Classification:** Class B4 consists of all Secured Second Lien Note Claims against the Liquidating Debtors.
- b. **Allowance:** Class B4 Claims shall be Allowed Claims pursuant to the Plan in the aggregate amount of \$519,265,011.85, plus fees, expenses and other amounts due in accordance with the terms of the Second Lien Notes Indenture, with the Secured portion of such Allowed Claim receiving treatment pursuant to this Class B4.
- c. **Treatment:** Except to the extent a holder of an Allowed Class B4 Claim agrees to less favorable treatment with the Liquidating Debtors, in full and complete satisfaction, discharge and release of the Secured portion of such Claims against the Liquidating Debtors, holders of Allowed Class B4 Claims shall receive their Pro Rata share of distributions of proceeds of collateral, provided that such proceeds and related distributions shall be treated in accordance with the terms of the Second Lien Notes Indenture, including any intercreditor provisions related to the First Lien Credit Agreement and the First Lien Notes Indenture.
- d. **Impairment and Voting:** Class B4 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.

(xvi) **Treatment of Class B5 – Liquidating Debtors Secured Third Lien Notes Claims**

- a. **Classification:** Class B5 consists of all Secured Third Lien Notes Claims against the Liquidating Debtors.
- b. **Allowance:** Class B5 Claims shall be Allowed Claims pursuant to the Plan in the aggregate amount of \$66,304,133.00, plus fees, expenses and other amounts due in accordance with the terms of the Third Lien Notes Indenture, with the Secured portion of such Allowed Claim receiving treatment pursuant to this Class B5.
- c. **Treatment:** Except to the extent a Holder of an Allowed Class B5 Claim agrees to less favorable treatment with the Liquidating Debtors, in full and complete satisfaction, discharge and release of the Secured portion of such Claims against the Liquidating Debtors, holders of Allowed Class B5 Claims shall receive their Pro Rata share of distributions of proceeds of collateral, provided that such proceeds and related distributions shall be treated in accordance with the terms of the Third Lien Notes Indenture, including any intercreditor provisions related to the First Lien Credit Agreement, the First Lien Notes Indenture and the Second Lien Notes Indenture.
- d. **Impairment and Voting:** Class B5 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.

(xvii) **Treatment of Class B6 – Liquidating Debtors Other Priority Claims**

- a. **Classification:** Class B6 consists of all Other Priority Claims against the Liquidating Debtors.
- b. **Treatment:** Except to the extent a holder of an Allowed Class B6 Claim agrees to less favorable treatment with the Debtors or the Liquidating Debtors, as applicable (which agreement shall be subject to the approval of the Consenting Junior Lien Creditors, which shall not be unreasonably withheld), in full and complete satisfaction, discharge and release of such Claims, holders of Allowed Class B6 Claims shall receive their Pro Rata share of distributions in accordance with the payment waterfall set forth with respect to the Liquidating Debtors Unsecured Claims Distribution Pool set forth in Section 8.9 of the Plan.
- c. **Impairment and Voting:** Class B6 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.

(xviii) **Treatment of Class B7 – Liquidating Debtors Unsecured Claims**

- a. **Classification:** Class B7 consists of all Liquidating Debtors Unsecured Claims.
- b. **Treatment:** Except to the extent a holder of an Allowed Class B7 Claim agrees to less favorable treatment with the Liquidating Debtors, in full and complete satisfaction, discharge and release of such Liquidating Debtors Unsecured Claims, each holder of an Allowed Class B7 Claim shall receive its Pro Rata share of distributions in accordance with the payment waterfall set forth with respect to the Liquidating Debtors Unsecured Claims Distribution Pool set forth in Section 8.9 of the Plan.

- c. ***Impairment and Voting:*** Class B7 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.
- d. ***Turnover:*** Pursuant to Section 510(a) of the Bankruptcy Code, in making distributions to holders of Claims in Class B7, the Disbursing Agent shall give effect to any and all subordination, turnover and “pay over” provisions set forth in the 2016 Senior Subordinated Notes Indenture, with the effect that any distributions that otherwise would be payable to holders of 2016 Senior Subordinated Notes Claims shall instead be deemed paid to holders of Senior Indebtedness (as defined in the 2016 Senior Subordinated Notes Indenture). For the avoidance of doubt, the holders of Second Lien Notes and the holders of Third Lien Notes have not waived and shall not be deemed to have waived their right as a result of any such subordination, turnover and “pay over” provisions to receive all Plan consideration payable or otherwise distributable and shall retain the right to enforce such subordination and “pay over” provisions and to be paid in full in Cash or otherwise prior to holders of 2016 Senior Subordinated Notes Claims receiving any payments or distributions from the Debtors or the Liquidating Debtors.

(xix) ***Treatment of Class B8 – Interests in the Liquidating Debtors***

- a. ***Classification:*** Class B8 consists of any and all Interests in the Liquidating Debtors.
- b. ***Treatment:*** At the option of the Debtors, with the approval of the Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld, on the Effective Date, all Class B8 Interests shall either (A) be Reinstated and the legal, equitable and contractual rights to which Holders of such Allowed Interests are entitled shall remain unaltered so as to maintain the organizational structure of the Liquidating Debtors as such structure existed on the Petition Date, (B) be cancelled, or (C) be transferred pursuant to the Plan.
- c. ***Impairment and Voting:*** Class B8 Interests are Unimpaired or Impaired. As proponents of the Plan, the holders of Class B8 Interests are conclusively presumed to accept the Plan and are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Interests.

C. Acceptance Requirements

(i) ***Acceptance or Rejection of the Plan***

a. **Voting Class**

Classes A4, A5, A7, B4, B5, B6, and B7 are Impaired under the Plan and are entitled to vote to accept or reject the Plan.

b. **Presumed Acceptance of the Plan**

Classes A1, A2, A3, A6, B1, B2, and B3 are Unimpaired under the Plan and are, therefore, conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Classes A9, A11 and B8 for each of the applicable Debtors are presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code because all holders of Claims in Class A9 for each of the applicable Debtors and holders of Interests in A11 and B8 for each of the applicable Subsidiary Debtors are Plan proponents.

c. Presumed Rejection of the Plan

Classes A8 and A10 are not entitled to receive or retain any property under the Plan and are, therefore, conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code.

(ii) Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code

The Plan contemplates that section 1129(a)(10) of the Bankruptcy Code will be satisfied for purposes of Confirmation by acceptance of the Plan by an Impaired Class of Claims. The Debtors intend to seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right, with the approval of the Consenting Junior Lien Creditors and the Consenting First Lien Creditors, to modify the Plan in accordance with Article XI of the Plan to the extent, if any, that confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

(iii) Elimination of Vacant Classes

Any Class or sub-Class of Claims or Interests that is not occupied as of the date of the commencement of the Confirmation Hearing by at least one Allowed Claim or Allowed Interest, as applicable, or at least one Claim or Interest, as applicable, temporarily Allowed under Bankruptcy Rule 3018, shall be deemed deleted from the Plan for purposes of (a) voting on the acceptance or rejection of the Plan and (b) determining acceptance or rejection of the Plan by such Class under section 1129(a)(8) of the Bankruptcy Code.

D. Means for Implementation of the Plan

(i) Continued Corporate Existence and Vesting of Assets in Debtors

a. Corporate Existence

The Plan provides that, except as otherwise set forth in the Plan, in the Corporate Governance Documents or elsewhere in the Plan Supplement, each Debtor, as reorganized, shall continue to exist after the Effective Date as a separate corporate entity, limited liability company, partnership or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Reorganizing Debtor is incorporated or formed. The Corporate Governance Documents shall be in the form filed with the Plan Supplement. On or after the Effective Date, each Reorganized Debtor, in its discretion, may take such action as permitted by applicable law and such Reorganized Debtor's organizational documents, as such Reorganized Debtor may determine is reasonable and appropriate, including, but not limited to, causing: (i) a Reorganized Debtor to be merged into another Reorganized Debtor, or its Subsidiary or affiliate; (ii) a Reorganized Debtor to be dissolved; (iii) the legal name of a Reorganized Debtor to be changed; or (iv) the closure of a Reorganized Debtor's case on the Effective Date or any time thereafter. For the avoidance of doubt, any such actions shall be consented to in accordance with, or be in compliance with, the New Second Lien Notes and the New Revolving Credit Facility.

b. New Corporate Governance Documents

The Plan provides that, on or immediately before the Effective Date, each of the Reorganized Debtors will file, as necessary, their respective Corporate Governance Documents with the applicable Secretaries of State and/or other applicable authorities in their respective jurisdictions of incorporation or in accordance with the corporate laws of the respective jurisdiction of incorporation. After the Effective Date, each of the Reorganized Debtors may amend and restate their respective Corporate Governance Documents and other constituent documents as permitted by the laws of their respective jurisdictions of incorporation and their respective Corporate Governance Documents. The Corporate Governance Documents shall be included in the Plan Supplement.

c. Vesting of Assets in the Reorganized Debtors

The Plan provides that, except as otherwise set forth in the Plan or any agreement, instrument or other document incorporated therein, on the Effective Date all property in each Estate and all Causes of Action (except those released pursuant to the releases by the Debtors) shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges or other encumbrances (except for Liens, if any, granted to secure the New Revolving Credit Facility Agreement and Liens securing claims arising under the First Lien Credit Agreement, the First Lien Notes and the New Second Lien Notes). On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire or dispose of property and compromise or settle any Claims, Interests or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules other than restrictions expressly imposed by the Plan or the Confirmation Order. Without limiting the foregoing, the Reorganized Debtors may pay the charges that they incur on or after the Effective Date for Professionals' fees, disbursements, expenses or related support services without application to the Bankruptcy Court.

d. Further Actions

The Plan provides that, on the Effective Date or as soon as reasonably practicable thereafter, and without the necessity of an order from the Bankruptcy Court, the Reorganized Debtors may take all actions that may be necessary or appropriate to effectuate any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including: (1) the execution and delivery of appropriate agreements or other documents of merger, consolidation, restructuring, conversion, disposition, transfer, dissolution or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable law and any other terms which the applicable entities may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, debt or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (3) the filing of appropriate certificates or articles of incorporation (or other similar organizational documents), reincorporation, merger, consolidation, conversion or dissolution pursuant to applicable state law; and (4) all other actions that the applicable entities, determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law; *provided* that all such actions are consented to by the Consenting Junior Lien Creditors after consultation with the Consenting First Lien Creditors.

e. Severance from Plan

The Plan provides that if, prior to Confirmation, the Debtors determine, with the consent of the Consenting Junior Lien Creditors, after consultation with the Consenting First Lien Creditors, to seek confirmation of the Plan only with respect to the Reorganizing Debtors, then each Liquidating Debtor shall be severed from the Plan and the Plan shall not apply to each Liquidating Debtor.

(ii) General Settlement of Claims and Interests

As discussed in this Disclosure Statement and as provided in the Plan, as one element of, and in consideration for, an overall negotiated settlement of numerous disputed Claims and issues embodied in the Plan, pursuant to Bankruptcy Rule 9019 and section 1123 of the Bankruptcy Code and in consideration for the classification, distributions, releases and other benefits provided under the Plan, the provisions of the Plan shall upon Consummation constitute a good faith compromise and settlement of all Claims, Interests and controversies resolved pursuant to the Plan. Subject to Article VII of the Plan, all distributions made to holders of Allowed Claims and Interests in any Class are intended to be and shall be final.

(iii) New Revolving Credit Facility Agreement/Incurrence of New Indebtedness and Agreed Pay-down on First Lien Indebtedness

a. New Revolving Credit Facility Agreement/Incurrence of New Indebtedness

On the Effective Date, the Plan provides that each of the Reorganized Debtors will be authorized to enter into the New Revolving Credit Facility Agreement (which shall be on terms consistent with the Restructuring

Support Agreement and reasonably acceptable to the Consenting First Lien Creditors) and complete the transactions contemplated by the New Revolving Credit Facility in order to provide funding to the Reorganized Debtors' business operations, and the Debtors shall be authorized to execute and deliver those documents necessary or appropriate to obtain the New Revolving Credit Facility, without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order or rule or vote, consent, authorization or approval of any person. In connection with the New Revolving Credit Facility, the First Lien Credit Agreement Agent, the First Lien Notes Collateral Agent and the Second Lien Notes Collateral Agent will enter into one or more intercreditor agreements on market terms, in form and substance reasonably acceptable to the Consenting First Lien Term Loan Lenders and the Consenting Junior Lien Creditors, which will, among other things, provide for a repurchase right at par solely for the benefit of the lenders party to the First Lien Credit Agreement if there is an event of default under the New Revolving Credit Facility.

b. Agreed Pay-down on First Lien Indebtedness

The Plan provides that the Reorganized Debtors shall, pursuant to the terms and conditions of the First Lien Credit Agreement and the First Lien Notes Indenture, within five (5) Business Days after the entry of the Confirmation Order make par offers to ratably repurchase an aggregate \$110 million of First Lien Indebtedness, which repurchases shall be consummated on the Effective Date from release of Cash in the Segregated Account. Upon completion of the repurchases, the Plan provides that any remaining Cash in the Segregated Account shall be available to the Reorganized Debtors in accordance with the permitted uses under the First Lien Credit Agreement, First Lien Notes Indenture and Second Lien Notes Indenture, and no further segregation shall be required.

(iv) Sources of Consideration for Plan Distribution

a. Cash Consideration

The Plan contemplates that all Cash consideration necessary for the Reorganized Debtors to make payments or distributions pursuant hereto will be obtained from: (i) the Reorganizing Debtors' Cash on hand as of the Effective Date (including Cash derived from business operations), (ii) the proceeds of the DIP Term Loan, (iii) the proceeds of the New Revolving Credit Facility, to the extent necessary, and (iv) the Cash released to the Reorganized Debtors from the Segregated Account. Further, the Plan provides that the Debtors and the Reorganized Debtors will be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable the Reorganized Debtors to satisfy their obligations under the Plan. Except as set forth in the Plan, any changes in the intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the Debtors' historical intercompany account settlement practices and will not violate or otherwise be affected by the terms of the Plan.

b. Issuance of New Common Stock

The Plan provides that, on the Effective Date, New Altegrity will issue New Common Stock for distribution to the holders of Allowed Claims in Class A4 and Class A5 pursuant to the terms set forth in the Plan. New Common Stock will also be reserved for (a) the New Incentive Plan and (b) the future exercise of the Warrants. The Plan contemplates that all of the shares of New Common Stock issued pursuant to the Plan will be duly authorized, validly issued, fully paid and non-assessable. Each distribution and issuance referred to in Article VII of the Plan will be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

(v) Restructuring Transactions

The Plan provides that, on the Effective Date or as soon as reasonably practicable thereafter, the Debtors, with the consent of the Consenting Junior Creditors and the Consenting First Lien Creditors, such consent not to be unreasonably withheld, may take all actions as may be necessary or appropriate to effectuate any transaction described in, approved by, contemplated by, or necessary to effectuate the Restructuring Transactions under and in connection with the Plan. The Restructuring Transactions may include one or more inter-company mergers, consolidations, amalgamations, arrangements, continuances, restructurings, conversions, dissolutions, transfers,

liquidations, or other corporate transactions as may be determined by the Debtors, with the consent of the Consenting Junior Creditors and the Consenting First Lien Creditors, such consent not to be unreasonably withheld, to be necessary. The Plan contemplates that the actions to implement the Restructuring Transactions may include: (1) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable Entities may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable Entities agree; (3) the filing of appropriate certificates or articles of incorporation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable state law; and (4) all other actions that the applicable Entities determine to be necessary, with the consent of the Consenting Junior Creditors and Consenting First Lien Creditors, such consent not to be unreasonably withheld, including making filings or recordings that may be required by applicable law in connection with the Plan. For the purposes of effectuating the Plan, none of the Restructuring Transactions shall constitute a change of control under any agreement, contract, or document of the Debtors.

(vi) Section 1145 Exemption

The Plan contemplates that the issuance of the New Common Stock and Warrants to be distributed pursuant to the Plan to holders of Claims shall be authorized under section 1145 of the Bankruptcy Code as of the Effective Date without further act or action by any person, unless required by provision of applicable law, regulation, order or rule. Under the Plan, holders of New Common Stock issued in respect of Allowed Claims will be provided with reasonable and customary registration rights, to be set forth in more detail in the Plan Supplement, solely to the extent such New Common Stock may not be transferred without restriction pursuant to Rule 144 or is otherwise not freely saleable under the securities laws notwithstanding section 1145 of the Bankruptcy Code.

(vii) Cancellation of Securities and Agreements

Under the Plan, except as otherwise specifically provided for in the Plan or in the First Lien Debt Amendments, the following will occur automatically on the Effective Date: (1) the obligations of the Debtors under the 2015 10.50% Senior Notes, 2015 12.00% Senior Notes, 2016 Senior Subordinated Notes, DIP Loan Agreement, Junior Subordinated Notes, Second Lien Notes, Third Lien Notes, and any other certificate, share, note, bond, indenture, purchase right, option, warrant or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors giving rise to any Claim or Interest (except for such certificates, notes or other instruments or documents evidencing indebtedness or obligations of the Debtors that are specifically reinstated pursuant to the Plan), will be cancelled as to the Debtors and the Debtors will not have any continuing obligations thereunder and (2) the obligations of the Debtors pursuant, relating or pertaining to any agreements, indentures, certificates of designation, bylaws or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, purchase rights, options, warrants or other instruments or documents evidencing or creating any indebtedness or obligations of the Debtors (except such agreements, certificates, notes or other instruments evidencing indebtedness or obligations of the Debtors that are specifically reinstated pursuant to the Plan) will be released and discharged; *provided, however*, that notwithstanding Confirmation or the occurrence of the Effective Date, that any such indenture or agreement that governs the rights of the holder of a Claim will continue in effect solely for purposes of (a) allowing holders of Second Lien Notes Claims, Third Lien Notes Claims and DIP Claims (as applicable) to receive distributions under the Plan as provided therein (b) allowing the Indenture Trustees, if applicable, to make distributions under the Plan as provided in the Plan, and deduct therefrom such compensation, fees and expenses due thereunder or incurred in making such distributions and (c) allowing the Indenture Trustees to seek compensation and/or reimbursement of fees and expenses in accordance with the terms of the Plan; *provided, further, however*, that the preceding proviso will not affect the discharge of Claims or Interests pursuant to the Bankruptcy Code, the Confirmation Order or the Plan, or result in any expense or liability to the Reorganized Debtors, except to the extent set forth in or provided for under the Plan. Notwithstanding the foregoing, the Second Lien Notes Indenture will remain outstanding following the Effective Date to allow for the New Second Lien Notes to be issued and outstanding thereunder, and all liens, security and ancillary documents related thereto (including but not limited to all Note Security Documents and the Senior Intercreditor Agreement (each as defined in the Second Lien Notes Indenture)) will remain in full force and

effect with respect to such New Second Lien Notes. On and after the Effective Date, all duties and responsibilities of the Indenture Trustees (other than the First Lien Notes Trustee and the Second Lien Notes Trustee) under the Indentures, as applicable, will be discharged except to the extent required in order to effectuate the Plan.

(viii) Surrender of Existing Securities

The Plan provides that, as a condition precedent to receiving any distribution on account of any Note, each record holder of any Note will be deemed to have surrendered such Notes or other documentation underlying such Note and all such surrendered Notes and other documents will be deemed to be cancelled in accordance with Section 5.7 of the Plan.

(ix) Boards of Directors and Officers of the Reorganizing Debtors

a. Boards of Directors

The Plan provides that, on the Effective Date, the New Board of New Altegrity will consist of five (5) directors, one of which will be the chief executive officer and the remaining four (4) of which will be designated by the holders of a majority of the New Common Stock. To the extent known, the identity of the members of the New Boards of New Altegrity and of each of the other Reorganized Debtors and the nature and compensation for any member of a New Board who is an “insider” under section 101(31) of the Bankruptcy Code will be identified in the Plan Supplement but, in any event, will be disclosed at or before the Confirmation Hearing.

b. Officers

The Plan provides that, to the extent known, officers of New Altegrity and each of the other Reorganized Debtors will be identified in the Plan Supplement but, in any event, will be disclosed at or before the Confirmation Hearing. Such officers will serve in accordance with applicable non-bankruptcy law and, to the extent applicable, the New Employment Agreements with New Altegrity and each of the other Reorganized Debtors.

(x) Employee Benefits

The Plan provides that, except as otherwise provided therein, on and after the Effective Date, the Reorganized Debtors may honor, in the ordinary course of business, any prepetition contracts, agreements, policies, programs and plans for, among other things, compensation (other than prepetition equity-based compensation related to Interests, which will be cancelled as provided for pursuant to the Plan), health care benefits, disability benefits, deferred compensation benefits, travel benefits, vacation benefits, savings plans, severance benefits, welfare benefits, workers’ compensation insurance, life insurance and accidental death and dismemberment insurance for the directors, officers and employees of any of the Debtors who served in such capacity at any time; *provided, however*, that the Debtors’ or Reorganized Debtors’ performance under any employment agreement will not entitle any person to any benefit or alleged entitlement under any contract, agreement, policy, program or plan that has expired or been terminated before the Effective Date, or restore, reinstate or revive any such benefit or alleged entitlement under any such contract, agreement, policy, program or plan. Nothing in the Disclosure Statement or the Plan will limit, diminish or otherwise alter the Reorganized Debtors’ defenses, claims, Causes of Action or other rights with respect to any such contracts, agreements, policies, programs and plans, including the Reorganized Debtors’ rights to modify unvested benefits pursuant to their terms.

(xi) Retiree Benefits

The Plan contemplates that all employment, retirement and other agreements or arrangements in place as of the Effective Date with the Debtors’ officers, directors, or employees, who will continue in such capacities or similar capacities after the Effective Date, or retirement income plans and welfare benefit plans for such persons, will remain in place after the Effective Date, and the Reorganized Debtors will continue to honor such agreements, arrangements, programs and plans; *provided, however*, that the foregoing will not apply to any stock based compensation or incentive plan, agreement, or arrangement existing as of the Petition Date. Nothing in the Plan will limit, diminish, or otherwise alter the Reorganized Debtors’ defenses, claims Causes of Action, or other rights with respect to any such contracts, agreements, policies, programs, and plans. Notwithstanding the foregoing, the Plan

provides that, pursuant to section 1129(a)(13) of the Bankruptcy Code, on and after the Effective Date, all retiree benefits (as such term is defined in section 1114 of the Bankruptcy Code), if any, will continue to be paid in accordance with applicable law.

(xii) Corporate Action

The Plan provides that, upon the Effective Date, all actions contemplated by the Plan will be deemed authorized and approved in all respects, including (1) entry into the New Employment Agreements; (2) selection of the directors and officers of the Reorganized Debtors; (3) the execution of and entry into the New Revolving Credit Facility Agreement; (4) the issuance of New Second Lien Notes; (5) the distribution of the New Common Stock and Warrants as provided in the Plan; and (6) all other actions contemplated by the Plan (whether to occur before, on or after the Effective Date). All matters provided for in the Plan involving the corporate structure of the Debtors or the Reorganized Debtors, and any corporate action required by the Debtors or the Reorganized Debtors in connection with the Plan will be deemed to have occurred and will be in effect, without any requirement of further action by the directors or officers of the Debtors or the Reorganized Debtors.

(xiii) Effectuating Documents; Further Transactions

The Plan provides that, on and after the Effective Date, the Reorganized Debtors and the managers, officers and members of the boards of directors thereof are authorized to issue, execute, deliver, file or record such contracts, securities, instruments, releases and other agreements or documents related to the foregoing and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan (including the New Revolving Credit Facility) and the securities issued pursuant to the Plan in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization or consents except for those expressly required pursuant to the Plan. The Plan provides that the authorizations and approvals contemplated by the foregoing actions will be effective notwithstanding any requirements under non-bankruptcy law.

(xiv) Section 1146 Exemption from Certain Taxes and Fees

The Plan provides that, pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Plan will not be subject to any stamp tax or other similar tax or governmental assessment in the United States, and the Confirmation Order will direct and be deemed to direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation instruments or other documents pursuant to such transfers of property without the payment of any such tax or governmental assessment. Such exemption specifically applies, without limitation, to (1) the creation of any mortgage, deed of trust, lien or other security interest; (2) the making or assignment of any lease or sublease; (3) any restructuring transaction authorized by the Plan; or (4) the making or delivery of any deed or other instrument of transfer under, in furtherance of or in connection with the Plan, including: (a) any merger agreements; (b) agreements of consolidation, restructuring, disposition, liquidation or dissolution; (c) deeds; or (d) assignments executed in connection with any transaction occurring under or pursuant to the Plan.

(xv) D&O Liability Insurance Policies

The Plan provides that, notwithstanding anything in the Plan to the contrary, as of the Effective Date, the Debtors will assume (and assign to the Reorganized Debtors if necessary to continue the D&O Liability Insurance Policies in full force) all of the D&O Liability Insurance Policies pursuant to section 365(a) of the Bankruptcy Code. Entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Debtors' foregoing assumption of each of the D&O Liability Insurance Policies. The Plan provides that, notwithstanding anything to the contrary contained in the Plan, Confirmation of the Plan will not discharge, impair or otherwise modify any obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such obligation will be deemed and treated as an Executory Contract that has been assumed by the Debtors under the Plan as to which no Proof of Claim need be filed. On or before the Effective Date, the Reorganized Debtors will obtain reasonably sufficient tail coverage (*i.e.*, D&O insurance coverage that extends beyond the end of the policy period) under a directors and officers' liability insurance policy for the current and former directors, officers and managers for a period of five years, and placed with such insurers, the terms of which will be set forth in the Plan Supplement.

(xvi) Preservation of Rights of Action

In accordance with section 1123(b) of the Bankruptcy Code, and except where such Causes of Action have been expressly released (including, for the avoidance of doubt, pursuant to the releases by the Debtors provided by Section 9.2 of the Plan), the Plan contemplates that the Reorganized Debtors will retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, and the Reorganized Debtors' rights to commence, prosecute or settle such Causes of Action will be preserved notwithstanding the occurrence of the Effective Date. The Reorganized Debtors may pursue such Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors. No Entity may rely on the absence of a specific reference in the Plan or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or Reorganized Debtors, as applicable, will not pursue any and all available Causes of Action against such Entity. **The Plan provides that, except as otherwise expressly provided in the Plan, the Debtors and the Reorganized Debtors (including, for the avoidance of doubt, both the Liquidating Debtors and the Reorganizing Debtors) expressly reserve all rights to prosecute any and all Causes of Action, including with respect to rejected Executory Contracts and Unexpired Leases, against any Entity.** Except with respect to Causes of Action as to which the Debtors or Reorganized Debtors have released any Person or Entity on or before the Effective Date (including pursuant to the releases by the Debtors in Section 9.2 of the Plan or otherwise), the Plan provides that the Debtors or Reorganized Debtors, as applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan. Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised or settled in the Plan or a Bankruptcy Court order, the Reorganized Debtors expressly reserve all Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches, will apply to such Causes of Action upon, after or as a consequence of the Confirmation or Consummation.

(xvii) Single Satisfaction of Claims

The Plan provides that Holders of Allowed Claims may assert such Claims against each Debtor obligated with respect to such Claims, and such Claims will be entitled to share in the recovery provided for the applicable Class of Claims against each obligated Debtor based upon the full Allowed amount of such Claims. Notwithstanding the foregoing, in no case will the aggregate value of all property received or retained under the Plan on account of any Allowed Claim exceed 100% of the underlying Allowed Claim plus applicable interest, if any.

E. Treatment of Executory Contracts and Unexpired Leases*(i) Assumption and Rejection of Executory Contracts and Unexpired Leases*

Except as otherwise provided in the Plan, or in any contract, instrument, release, indenture or other agreement or document entered into in connection with the Plan, the Plan provides that each of Altegrity Holding Corp.'s and the Subsidiary Debtors' Executory Contracts and Unexpired Leases will be deemed assumed as of the Effective Date, unless such Executory Contract or Unexpired Lease: (1) was assumed or rejected previously by the Debtors; (2) previously expired or terminated pursuant to its own terms; (3) is the subject of a motion to assume or reject filed on or before the Effective Date; or (4) is identified as an Executory Contract or Unexpired Lease to be rejected pursuant to the Plan Supplement before the Effective Date. Unless transferred to another Debtor before the Effective Date, each of the Liquidating Debtors' Executory Contracts and Unexpired Leases will be deemed rejected as of the Effective Date.

The Plan provides that entry of the Confirmation Order will constitute a Bankruptcy Court order approving the assumptions or rejections of such Executory Contracts or Unexpired Leases as set forth in the Plan, all pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Unless otherwise indicated, all assumptions or rejections of Executory Contracts and Unexpired Leases pursuant to the Plan are effective as of the Effective Date. Each Executory Contract or Unexpired Lease assumed pursuant to the Plan or by Bankruptcy Court order but not assigned to a third party before the Effective Date will revert in and be fully enforceable by the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may have been modified by such order. Notwithstanding anything to the contrary in the Plan, the Plan provides that the Debtors or the Reorganized Debtors,

as applicable, reserve the right to alter, amend, modify or supplement the list of Executory Contracts and Unexpired Leases identified in the Plan Supplement at any time before the Effective Date. Any alteration, amendment, modification or supplement to the list of Executory Contracts and Unexpired Leases identified in the Plan Supplement will be agreed to by the Consenting Junior Lien Creditors after consultation with the Consenting First Lien Creditors. The Plan provides that, after the Effective Date, the Reorganized Debtors will have the right to terminate, amend or modify any intercompany contracts, leases or other agreements without approval of the Bankruptcy Court.

(ii) Claims Based on Rejection of Executory Contracts or Unexpired Leases

The Plan provides that all proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, if any, must be filed with the Bankruptcy Court within 30 days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion and will not be enforceable against the Debtors or the Reorganized Debtors, the Estates or their property without the need for any objection by the Reorganized Debtors or further notice to, or action, order or approval of the Bankruptcy Court.** Under the Plan all Allowed Claims arising from the rejection of the Reorganizing Debtors' Executory Contracts or Unexpired Leases will be deemed General Unsecured Claims and classified as Class A7 Reorganizing Debtors Unsecured Claims against the applicable Reorganizing Debtor and will be treated in accordance with Article III of the Plan. All Allowed Claims arising from the rejection of the Liquidating Debtors' Executory Contracts or Unexpired Leases will be deemed Liquidating Debtors Unsecured Claims and classified as Class B7 Liquidating Debtors Unsecured Claims against the applicable Liquidating Debtor and will be treated in accordance with Article III of the Plan. The Plan establishes the deadline to object to Claims arising from the rejection of Executory Contracts or Unexpired Leases, if any, as the later of (a) 90 days following the date on which such Claim was filed and (b) such other period of limitation as may be specifically fixed by an order of the Bankruptcy Court for objecting to such Claims.

(iii) Cure of Defaults for Executory Contracts and Unexpired Leases Assumed

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan will be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on, or as soon as reasonably practicable after, the Effective Date, subject to the limitations described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed or (3) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code will be made following the entry of a Final Order or orders resolving the dispute and approving the assumption. At least 14 days before the Confirmation Hearing, the Debtors will distribute, or cause to be distributed, notices of proposed assumption and proposed amounts of Cure Claims to the applicable third parties, and will include procedures for objecting to proposed assumptions of Executory Contracts and Unexpired Leases and any amounts of Cure Claims to be paid in connection therewith and resolution of disputes by the Bankruptcy Court; *provided, that*, the Debtors and the Reorganized Debtors reserve all rights with respect to any such proposed assumption and proposed cure amount in the event of an objection or dispute. Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption or related cure amount must be filed, served and actually received by counsel to the Debtors and the Consenting Junior Lien Creditors at least 3 days before the Confirmation Hearing. **Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount will be deemed to have assented to such assumption or cure amount.** A list of the Executory Contracts and Unexpired Leases to be assumed and the notices of proposed assumption and proposed amounts of Cure Claims will be included in the Plan Supplement.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise will result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of

provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time before the effective date of the assumption. **Any Proofs of Claim filed with respect to an Executory Contract or Unexpired Lease that has been assumed will be deemed disallowed and expunged, without further notice to, action, order, or approval of the Bankruptcy Court.**

(iv) ***Modifications, Amendments, Supplements, Restatements or Other Agreements***

Unless otherwise provided in the Plan or specifically provided in the Plan Supplement, each Executory Contract or Unexpired Lease that is assumed will include all modifications, amendments, supplements, restatements or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

Modifications, amendments, supplements and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases will not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority or amount of any Claims that may arise in connection therewith.

(v) ***Reservation of Rights***

The Plan provides that neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Executory Contract and Unexpired Lease lists in the Plan Supplement, nor anything contained in the Plan, will constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any Reorganized Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or Reorganized Debtors, as applicable, will have 30 days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

(vi) ***Contracts and Leases Entered Into After the Petition Date***

The Plan provides that contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed by such Debtor, will be performed by the Debtor or Reorganized Debtor liable thereunder in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

(vii) ***Assumption of Insurance Policies***

Section 6.7 of the Plan provides that, notwithstanding anything in the Plan or the Confirmation Order, including any provision that purports to be preemptory or supervening, on the Effective Date, each of the Insurance Policies will, as applicable, be deemed assumed to the extent such Insurance Policies are Executory Contracts of the applicable Debtor under section 365 of the Bankruptcy Code. Regardless of whether any Insurance Policy is or is not an Executory Contract, on and after the Effective Date, the Insurance Policies will remain valid and enforceable in accordance with their terms, will not be impaired by the Plan or Confirmation Order, and the Debtors and the Insurers will perform their respective obligations to one another, if any, under the Insurance Policies. The Plan provides that nothing contained in Section 6.7 of the Plan will affect any Executory Contract or Claim of any Entity other than the Insurers.

(viii) ***Assumption of Employment Contracts or Incentive Plans***

The Plan provides that, notwithstanding anything in the Plan or the Confirmation Order, including any provision that purports to be preemptory or supervening, the Debtors will not assume, and will reject, any employment contracts or management incentive plans that include any provisions requiring payments or benefits

upon a change-of-control as a result of the consummation of the Plan; *provided* that the Reorganizing Debtors may assume such contracts or incentive plans if the Debtors or the Reorganizing Debtors either (i) obtain a written waiver of such payments or benefits prior to any such assumption or (ii) obtain a written consent to such assumption from the Consenting Junior Lien Creditors.

F. Provisions Governing Distributions

(i) Record Date for Distributions

The Plan provides that, as of the entry of the Confirmation Order, the various transfer registers for each of the Classes of Claims or Interests as maintained by the Debtors or their respective agents will be deemed closed, and there will be no further changes made to reflect any new record holders of any Claims or Interests. The Debtors will have no obligation to recognize any transfer of Claims or Interests occurring on or after the Distribution Record Date.

(ii) Timing and Calculation of Amounts to Be Distributed

Except as otherwise provided in the Plan, on the Effective Date or as soon as reasonably practicable thereafter (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such a Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter), each holder of an Allowed Claim against the Debtors will receive the full amount of the distributions that the Plan provides for Allowed Claims in the applicable Class and in the manner provided therein.

In the event that any payment or act under the Plan is required to be made or performed on a date that is not a business day, then the Plan provides that the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but will be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims will be made pursuant to the provisions set forth in Article VIII of the Plan.

Except as otherwise provided in the Plan (including in Section 7.6(a) of the Plan with respect to Disputed Claims), holders of Claims will not be entitled to interest, dividends or accruals on the distributions provided for therein, regardless of whether such distributions are delivered on or at any time after the Effective Date.

(iii) Disbursing Agent

The Plan provides that, except as otherwise provided therein, all distributions under the Plan will be made by the Reorganized Debtors as Disbursing Agent or such other Entity designated by the Reorganized Debtors as a Disbursing Agent on the Effective Date. Distributions to holders of claims related to the 2015 Senior Notes Claims, First Lien Notes Claims, Second Lien Notes Claims and Third Lien Notes Claims will be made by the applicable Indenture Trustee and, with the consent of the Reorganized Debtors, deemed completed when made to the applicable Indenture Trustee as Disbursing Agent. The Plan further provides, for the avoidance of doubt, that distributions made by the Indenture Trustees to the record holders of the 2015 Senior Notes Claims, First Lien Notes Claims, Second Lien Notes Claims and Third Lien Notes Claims will be made (as it relates to the identity of recipients) in accordance with the applicable indenture and the policies and procedures of DTC, to the extent applicable. To the extent that any Entity other than the Reorganized Debtors or any of the Indenture Trustees is designated as a Disbursing Agent, such Entity's designation and service thereunder will be conditioned upon such Entity posting a bond satisfactory to the Bankruptcy Court.

(iv) Rights and Powers of Disbursing Agent

a. Powers of the Disbursing Agent

The Disbursing Agent will be empowered to:

- effect all actions and execute all agreements, instruments and other documents necessary to perform its duties under the Plan;

- make all distributions contemplated by the Plan;
- employ professionals to represent it with respect to its responsibilities; and
- exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions thereof.

b. Expenses Incurred On or After the Effective Date

The Plan provides that, except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes) and any reasonable compensation and expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent will be paid in Cash by the Reorganized Debtors.

(v) Distributions on Account of Claims Allowed After the Effective Date

a. Payments and Distributions on Disputed Claims

The Plan provides that, notwithstanding any other provision of the Plan, no distributions will be made under the Plan on account of any Disputed Claim, unless and until such Claim becomes an Allowed Claim. Distributions made after the Effective Date to holders of Disputed Claims that are not Allowed Claims as of the Effective Date but which later become Allowed Claims shall be deemed to have been made on the Effective Date.

b. Special Rules for Distributions to Holders of Disputed Claims

The Plan provides that, notwithstanding any provision otherwise in the Plan and except as may be agreed to by the Debtors (with the approval of the Consenting Junior Lien Creditors) or the Reorganized Debtors, on the one hand, and the holder of a Disputed Claim, on the other hand, no partial payments and no partial distributions will be made with respect to any Disputed Claim until all Disputed Claims held by the holder of such Disputed Claim have become Allowed Claims or have otherwise been resolved by settlement or Final Order.

(vi) Delivery of Distributions and Undeliverable or Unclaimed Distributions

a. Delivery of Distributions in General

The Plan provides that, except as otherwise provided therein, distributions to holders of Allowed Claims shall be made to holders of record as of the Distribution Record Date by the Disbursing Agent:

- to the signatory set forth on the Proof of Claim filed by such holder or other representative identified therein (or at the last known addresses of such holder if no Proof of Claim is filed or if the Debtors have been notified in writing of a change of address);
- at the addresses set forth in any written notices of address changes delivered to the Disbursing Agent after the date of any related Proof of Claim;
- at the addresses reflected in the Schedules if no Proof of Claim has been filed and the Disbursing Agent has not received a written notice of a change of address; or
- on any counsel that has appeared in the Chapter 11 Cases on the holder's behalf.

Distributions under the Plan on account of Allowed Claims will not be subject to levy, garnishment, attachment or like legal process, so that each holder of an Allowed Claim will have and receive the benefit of the distributions in the manner set forth in the Plan.

None of the Debtors, the Reorganized Debtors and the applicable Disbursing Agent will incur any liability whatsoever on account of any distributions under the Plan except for gross negligence, willful misconduct or fraud.

Except as otherwise provided in the Plan, all distributions to holders of Notes Claims will be governed by the applicable notes and indentures, and will be deemed completed when made to the applicable Indenture Trustee, who will in turn make distributions in accordance with the applicable notes and indentures.

b. Fractional Distributions

The Plan provides that, whenever any payment of a fraction of a share of New Common Stock pursuant to the Plan would otherwise be required, the actual payment will reflect a rounding of such fraction to the nearest whole share (up or down), with half or less being rounded down. Pursuant to the Plan, whenever any payment of Cash of a fraction of a dollar would otherwise be required, the actual payment will reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars or less being rounded down.

c. Undeliverable Distributions and Unclaimed Property

The Plan contemplates that, in the event that any distribution to any holder is returned as undeliverable, no distribution to such holder will be made unless and until the Disbursing Agent has determined the then current address of such holder, at which time such distribution will be made as soon as practicable after such distribution has become deliverable or has been claimed to such holder without interest; *provided, however*, that such distributions will be deemed unclaimed property under section 347(b) of the Bankruptcy Code and forfeited at the expiration of six months from the applicable Distribution Date. After such date, all “unclaimed property” or interests in property will revert to the Reorganized Debtors (notwithstanding any applicable federal or state escheat, abandoned or unclaimed property laws to the contrary) and the Claim of any holder to such property or interest in property will be discharged and forever barred.

d. Time Bar to Cash Payments

The Plan provides that checks issued by the Disbursing Agent in respect of any Distribution of Cash made on account of Allowed Claims will be null and void if not negotiated within ninety (90) days from and after the date of issuance thereof. Requests for reissuance of any check will be made directly to the Disbursing Agent by the holder of the Allowed Claim with respect to which such check originally was issued. Any Claim in respect of a voided check will be made on or before the later of (a) the six-month anniversary of the Effective Date, or (b) 90 days after the date of issuance if the check represents a final Distribution. After that date, all remaining Claims in respect of voided checks will be discharged and forever barred and the applicable Reorganized Debtor will retain all related monies as unclaimed property under Section 7.6(c) of the Plan.

(vii) Compliance with Tax Requirements and Allocations

In connection with the Plan and all instruments issued in connection therewith, to the extent applicable, the Reorganized Debtors and the Disbursing Agent will comply with all tax withholding and reporting requirements imposed on them by any federal, state or local taxing authority, and all distributions pursuant to the Plan will be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors and the Disbursing Agent will be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right, in their sole discretion, to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, other spousal awards, Liens, and encumbrances.

For tax purposes, distributions in full or partial satisfaction of Allowed Claims will be allocated first to the principal amount of Allowed Claims, with any excess allocated to unpaid interest that accrued on such Claims.

(viii) Setoffs

The Plan provides that the Debtors and the Reorganized Debtors may withhold (but not set off except as set forth below) from the distributions called for under the Plan on account of any Allowed Claim an amount equal to any claims, equity interests, rights and Causes of Action of any nature that the Debtors or the Reorganized Debtors may hold against the holder of any such Allowed Claim.

In the event that any such claims, equity interests, rights and Causes of Action of any nature that the Debtors or the Reorganized Debtors may hold against the holder of any such Allowed Claim are adjudicated by Final Order or otherwise resolved, the Plan provides that the Debtors may, pursuant to section 558 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim and the distributions to be made pursuant the Plan on account of such Allowed Claim (before any distribution is made on account of such Allowed Claim) the amount of any adjudicated or resolved claims, equity interests, rights and Causes of Action of any nature that the Debtors or the Reorganized Debtors may hold against the holder of any such Allowed Claim, but only to the extent of such adjudicated or resolved amount.

Neither the failure to effect such a setoff nor the allowance of any Claim under the Plan will constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claims, equity interests, rights and Causes of Action that the Debtors or the Reorganized Debtors may possess against any such holder, except as specifically provided therein.

(ix) Claims Paid or Payable by Third Parties**a. Claims Paid by Third Parties**

The Plan contemplates that the Debtors or the Reorganized Debtors, as applicable, will reduce in part or in full an Allowed Claim to the extent that the holder of such Allowed Claim receives payment in part or in full on account of such Allowed Claim from a party that is not a Debtor or Reorganized Debtor. To the extent a holder of an Allowed Claim receives a distribution on account of such Allowed Claim and receives payment from a party that is not a Debtor or a Reorganized Debtor on account of such Allowed Claim, such holder will, within 14 days of receipt thereof, repay or return the distribution to the applicable Reorganized Debtor, to the extent the holder's total recovery on account of such Allowed Claim from the third party and under the Plan exceeds the amount of such Allowed Claim as of the date of any such distribution under the Plan.

b. Claims Payable by Third Parties

The Plan provides that an Insured Claim that has been settled, in whole or in part, with the express written consent of an Insurer, or resolved by a judgment entered after an actual trial or by summary judgment, may be expunged or reduced without a Claims objection having to be filed and without any further notice to or action, order, or approval of the Bankruptcy Court to the extent so settled or resolved.

c. Applicability of Insurance Policies

Except as otherwise provided in the Plan, distributions to holders of Allowed Insured Claims will be in accordance with the provisions of any applicable Insurance Policy. Nothing contained in the Plan will constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor will anything contained therein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

G. Procedures for Resolving Contingent, Unliquidated and Disputed Claims**(i) Prosecution of Objections to Claims on and After the Effective Date**

The Plan provides that the Debtors (before the Effective Date), with the approval of the Consenting Junior Lien Creditors, or the Reorganized Debtors and the Liquidating Debtors Plan Administrator (on or after the

Effective Date), as applicable, will have the exclusive authority to file, settle, compromise, withdraw or litigate to judgment any objections to Claims as permitted under the Plan.

From and after the Effective Date, the Reorganized Debtors may settle or compromise any Disputed Claim without approval of the Bankruptcy Court if the Allowed amount of such Disputed Claim is equal to or less than \$1,000,000. If, however, the Allowed amount of such Disputed Claim is greater than \$1,000,000, the Reorganized Debtors will file a notice of the proposed settlement with the Bankruptcy Court. Parties in interest will have 14 days from the filing of such notice to object to the proposed settlement. If no objections are received on or before the 14th day, the Disputed Claim will be deemed resolved for the amount proposed in the notice. If, however, any objections are made in writing to the proposed settlement, a hearing will be held before the Bankruptcy Court to resolve such objection. Subject to the procedures set forth in the Plan, the Debtors reserve all rights to resolve any Disputed Claim outside the Bankruptcy Court under applicable governing law.

(ii) Estimation of Claims

The Plan provides that the Reorganized Debtors, the Debtors or the Liquidating Debtors Plan Administrator, as applicable, may, at any time, request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether the Debtors, the Reorganized Debtors or the Liquidating Debtors Plan Administrator previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection. In the event that the Bankruptcy Court estimates any contingency or unliquidated Claim, such estimated amount will constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Reorganized Debtors, the Debtors or the Liquidating Debtors Plan Administrator may elect to pursue any supplemental proceedings to object to any ultimate allowance of such Claim. All of the aforementioned Claims objections, estimation and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court.

(iii) Allowance of Claims

Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), the Plan contemplates that the Reorganized Debtors and the Liquidating Debtors Plan Administrator after the Effective Date will have and retain any and all rights and defenses held by the Debtors with respect to any Claim as of the Petition Date. All claims of any Entity that owes money to the Debtors will be disallowed unless and until such Entity pays, in full, the amount it owes the Debtors.

Notwithstanding any other provision in the Plan, no payments or distributions will be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by Final Order, and the Disputed Claim, or some portion thereof, has become an Allowed Claim. To the extent that all or a portion of a Disputed Claim is disallowed, the Holder of such Disputed Claim will not receive any distribution on account of the portion of such Disputed Claim that is Disallowed.

(iv) Distributions after Allowance

The Plan contemplates that, to the extent that a Disputed Claim becomes an Allowed Claim, distribution (if any) will be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan and Confirmation Order. As soon as practicable after the date that either (i) the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order or (ii) a Disputed Claim becomes an Allowed Claim without additional court orders, the Reorganized Debtors, the Disbursing Agent or the Liquidating Debtors Plan Administrator, as applicable, will provide to the Holder of such Claim the distribution (if any) to which such Holder is entitled under the Plan and Confirmation Order, without any interest to be paid on account of such Claim.

(v) *Deadline to File Objections to Claims*

The Plan defines “Claims Objection Bar Date,” for each Claim, the later of (a) the Effective Date and (b) such other period of limitation as may be specifically fixed by an order of the Bankruptcy Court for objecting to certain Claims.

The Plan provides that any objections to Claims will be filed no later than the applicable Claims Objection Bar Date, provided, however, that to the extent an objection to a Disputed Claim is withdrawn or compromised without approval of the Bankruptcy Court, deemed resolved subject to the procedures set forth in Section 8.1 of the Plan or adjudicated by the Bankruptcy Court, the Debtors will have 45 days from the date of withdrawal, compromise, resolution or adjudication to object to the Claim on any additional grounds.

Any fees, costs or expenses incurred by the Liquidating Debtors Plan Administrator in objecting to Claims filed against the Liquidating Debtors will be borne by the Liquidating Debtors.

(vi) *Disallowed Claims*

The Plan provides that any Claim held by an Entity against whom any Debtor or the Liquidating Debtors Plan Administrator has commenced a proceeding asserting a Cause of Action under sections 542, 543, 544, 545, 547, 548, 549, 550, 551 and/or 553 of the Bankruptcy Code, will be deemed a Disallowed Claim pursuant to section 502(d) of the Bankruptcy Code and the Holder of such Claim will not be entitled to vote to accept or reject the Plan. Claims that are deemed Disallowed Claims pursuant to Section 8.6 of the Plan will continue to be Disallowed Claims for all purposes until such Cause of Action has been settled or resolved by Final Order and any sums due to the Debtors from such party have been paid.

(vii) *Reorganizing Debtors Unsecured Claims Warrant Pool*

The Plan provides that, on the Effective Date (or as soon thereafter as is reasonably practicable), New Altegrity will deposit in the Reorganizing Debtors Unsecured Claims Warrant Pool the Warrants. Each holder of a Disputed Reorganizing Debtors Unsecured Claim in Class A7 that ultimately becomes an Allowed Claim will have recourse only to the undistributed Warrants held in the Reorganizing Debtors Unsecured Claims Warrant Pool for satisfaction of the distributions to which holders of Allowed Reorganizing Debtors Unsecured Claims are entitled under the Plan, and not to any Reorganized Debtor, their property or any assets previously distributed on account of any Allowed Claim.

(viii) *Distributions from Reorganizing Debtors Unsecured Claims Warrant Pool*

The Plan provides that, notwithstanding anything to the contrary therein, no distributions will be made from the Reorganizing Debtors Unsecured Claims Warrant Pool until all Disputed Reorganizing Debtors Unsecured Claims in Class A7 are resolved and either become Allowed or are disallowed by Final Order.

On the Distribution Date following the date that all Disputed Reorganizing Debtors Unsecured Claims in Class A7 are resolved and either become Allowed or are disallowed by Final Order, then the Disbursing Agent will provide to each holder of Allowed Claims in Class A7 (other than the holders of the Second Lien Notes Deficiency Claims and the Third Lien Notes Deficiency Claims) such holder’s Pro Rata portion of the Warrants, with such Pro Rata calculation based on the exclusion of the Second Lien Notes Deficiency Claims and the Third Lien Notes Deficiency Claims from both the numerator and the denominator.

(ix) *Liquidating Debtors Unsecured Claims Distribution Pool*

The Plan contemplates that, on the Effective Date (or as soon thereafter as is reasonably practicable), the Reorganized Debtors will deposit in the Liquidating Debtors Unsecured Claims Distribution Pool the proceeds of any assets of the Liquidating Debtors that were not, at the time of disposition, subject to a valid security interest. From and after the Effective Date, to the extent that Liquidating Debtors sell or otherwise monetize assets that are not, at the time of disposition, subject to a valid security interest, the proceeds of such assets will be deposited into the Liquidating Debtors Unsecured Claims Distribution Pool. Each holder of a Disputed Liquidating Debtors

Unsecured Claim in Class B6 or Class B7 that ultimately becomes an Allowed Claim will have recourse only to the undistributed proceeds held in the Liquidating Debtors Unsecured Claims Distribution Pool for satisfaction of the distributions to which holders of Allowed Liquidating Debtors Unsecured Claims are entitled under the Plan, and not to any Reorganized Debtor, their property or any assets previously distributed on account of any Allowed Claim.

(x) ***Distributions from Liquidating Debtors Unsecured Claims Distribution Pool***

The Plan provides that, notwithstanding anything to the contrary in the Plan, no distributions will be made from the Liquidating Debtors Unsecured Claims Distribution Pool to holders of Claims in Class B6 until all Disputed Liquidating Debtors Other Priority Claims in Class B6 are resolved and either become Allowed or are disallowed by Final Order, and no distributions will be made from the Liquidating Debtors Unsecured Claims Distribution Pool to holders of Claims in Class B7 until all Disputed Liquidating Debtors Unsecured Claims in Class B7 are resolved and either become Allowed or are disallowed by Final Order.

On the Distribution Date following the date that all Disputed Liquidating Debtors Other Priority Claims in Class B6 are resolved and either become Allowed or are disallowed by Final Order, the Liquidating Debtors Plan Administrator or the Disbursing Agent will provide to each holder of Allowed Claims in Class B6 such holder's Pro Rata portion of any proceeds from any unencumbered assets of the Liquidating Debtors then currently in the Liquidating Debtors Unsecured Claims Distribution Pool, provided, that, if the aggregate amount of proceeds in the Liquidating Debtors Unsecured Claims Distribution Pool at such Distribution Date is less than \$50,000, the Liquidating Debtors Plan Administrator may elect, at its sole discretion, to postpone any such distribution until the next Distribution Date. On each succeeding Distribution Date on which there are proceeds in the Liquidating Debtors Unsecured Claims Distribution Pool of at least \$50,000, the Liquidating Debtors Plan Administrator or the Disbursing Agent will make Pro Rata distributions to holders of Allowed Claims in Class B6 until such claims are paid in full.

On the first Distribution Date on which (a) the Allowed Class B6 Claims are (or have been) paid in full, (b) all Disputed Liquidating Debtors Unsecured Claims in Class B7 are resolved and either are Allowed or are disallowed by Final Order, and (c) the Liquidating Debtors Unsecured Claims Distribution Pool holds proceeds from any unencumbered assets of the Liquidating Debtors of at least \$50,000 available for distribution to holders of Allowed Claims in Class B7, the Plan provides that the Liquidating Debtors Plan Administrator or the Disbursing Agent will provide to each holder of Allowed Claims in Class B7 such holder's Pro Rata portion of such proceeds. On each succeeding Distribution Date on which there are proceeds in the Liquidating Debtors Unsecured Claims Distribution Pool of at least \$50,000, the Liquidating Debtors Plan Administrator or the Disbursing Agent will make Pro Rata distributions to holders of Allowed Claims in Class B7 until such claims are paid in full.

Distributions of any excess amounts after both the Allowed Claims in Class B6 and the Allowed Claims in Class B7 have been paid in full, if any, will be provided to the holders of Allowed Interests in Class B8 for the benefit of the Reorganized Debtors for general corporate use.

(xi) ***Withholding Related to Distributions from Liquidating Debtors Unsecured Claims Distribution Pool or Reorganizing Debtors Unsecured Claims Warrant Pool***

The Plan provides that, in connection with the Plan and all instruments issued in connection therewith, to the extent applicable, the Reorganized Debtors, the Liquidating Debtors Plan Administrator and the Disbursing Agent will comply with all tax withholding and reporting requirements imposed on them by any federal, state or local taxing authority, and distributions pursuant to the Plan to holders of interests in the Liquidating Debtors Unsecured Claims Distribution Pool or Reorganizing Debtors Unsecured Claims Warrant Pool will be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors, the Liquidating Debtors Plan Administrator and the Disbursing Agent will be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made to a holder of an interest in the Liquidating Debtors Unsecured Claims Distribution Pool or Reorganizing Debtors Unsecured Claims Warrant Pool to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate

such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right, in their sole discretion, to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, other spousal awards, Liens, and encumbrances.

(xii) ***Liquidating Debtors Plan Administrator and Liquidating Debtors Plan Administrator Oversight Committee***

The Plan provides that, on the Effective Date, New Altegrity will be appointed the Liquidating Debtors Plan Administrator and the Liquidating Debtors Plan Administrator Oversight Committee will be formed, which committee will consist of three (3) members, the Consenting Junior Lien Creditors' Designee, the Consenting First Lien Creditors' Designee and the Reorganized Debtors' Designee. The Liquidating Debtors Plan Administrator and the members of the Liquidating Debtors Plan Administrator Oversight Committee will oversee the liquidation of assets of the Liquidating Debtors and distribution of assets of the Liquidating Debtors Unsecured Claims Distribution Pool in accordance with the Plan, including the settlement of any Estate Causes of Action related to the Liquidating Debtors upon receiving a proposal of settlement from, or proposed by, the Liquidating Debtors Plan Administrator. The Liquidating Debtors Plan Administrator will produce such periodic reports as reasonably requested by the Liquidating Debtors Plan Administrator Oversight Committee with respect to the status of settlements related to Claims in Class B6 and Class B7 and distributions to holders of Allowed Claims in Class B6 and Class B7. Liquidating Debtors Plan Administrator Oversight Committee decisions will be made by majority written approval. In the event of a dispute, the dispute will be resolved by the Bankruptcy Court upon motion of the Liquidating Debtors Plan Administrator after consultation with the Liquidating Debtors Plan Administrator Oversight Committee. The Liquidating Debtors Plan Administrator, after consultation with the Liquidating Debtors Plan Administrator Oversight Committee, will have the following additional rights, obligations and duties:

- appear in Bankruptcy Court, as necessary; and
- approve the settlement of Liquidating Debtors' Estate Causes of Action where the amount originally sought to be recovered exceeds \$100,000; it being hereby understood that the Liquidating Debtors Plan Administrator will have discretion to approve the settlement of any Liquidating Debtors' Estate Causes of Action up to \$100,000 without any direction from or consent by the Liquidating Debtors Plan Administrator Oversight Committee.

Any member of the Plan Oversight Committee will have the right to seek an order of the Bankruptcy Court terminating another Plan Oversight Committee member for cause, with a replacement member to be selected in a manner consistent with the original selection of such member. Upon final distribution from the Liquidating Debtors Unsecured Claims Distribution Pool, the Liquidating Debtors Plan Administrator Oversight Committee will automatically dissolve.

For the avoidance of doubt, the Liquidating Debtors Plan Administrator will only administer and oversee the liquidation of the assets of the Liquidating Debtors and will not, in its capacity as Liquidating Debtors Plan Administrator, have any rights or responsibilities with respect to the Reorganizing Debtors.

H. Settlement, Release, Injunction and Related Provisions

(i) ***Compromise and Settlement of Claims, Interests and Controversies***

The Plan provides that, pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to the Plan, the provisions of the Plan will constitute a good faith compromise of all Claims, Interests and controversies relating to the contractual, legal and subordination rights that a holder of a Claim may have with respect to any Allowed Claim or Interest, or any distribution to be made on account of such Allowed Claim or Interest. The entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests and controversies, as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Debtors, their Estates and holders of Claims and Interests and is fair, equitable and reasonable. In accordance with the provisions of the Plan, pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule

9019(a), without any further notice to or action, order or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Debtors may compromise and settle Claims against them and Causes of Action against other Entities.

(ii) Releases by the Debtors

The Plan contains the following releases provided by the Debtors, which should be read in their entirety:

Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or the Plan Supplement, for good and valuable consideration, including the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, on and after the Effective Date, the Released Parties are deemed released and discharged by the Debtors, the Reorganized Debtors and the Estates from any and all Claims, obligations, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity or otherwise, that the Debtors, the Reorganized Debtors, the Estates or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan and Disclosure Statement, or related agreements, instruments or other documents, or any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any Released Party under the Plan or any document, instrument or agreement (including those set forth in the Plan Supplement and the Senior Priority Documents) executed to implement the Plan, nor does it release any Cause of Action, obligation or liability expressly set forth in or preserved by the Plan or the Plan Supplement.

(iii) Releases by Holders of Claims and Interests

The Plan defines "Releasing Parties" all Entities who have held, hold or may hold Claims or Interests that have been released pursuant to Sections 9.2, 9.3 or 9.4, discharged pursuant to Section 9.6 of the Plan or are subject to exculpation pursuant to Section 9.4 of the Plan. The Plan contains the following release provisions with respect to holders of Claims and Interests, which should be read in its entirety:

As of the Effective Date, to the extent permitted by applicable law, each holder of a Claim or an Interest shall be deemed to have conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged the Debtors, the Reorganized Debtors and the Released Parties from any and all claims, interests, obligations, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims asserted on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan, the Disclosure Statement, the Plan Supplement or related agreements, instruments or other documents, or any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument or agreement (including those set forth in the Plan Supplement, the Senior Priority Documents and the Second Lien Notes Indenture, and all liens, security and ancillary documents related thereto (including but not limited to all Note Security Documents and the Senior Intercreditor Agreement (each as defined in the Second Lien Notes Indenture)) executed to implement the Plan.

The Debtors believe that the releases set forth in the Plan are both fair and necessary to the reorganization and are appropriate because, among other things, each of the Released Parties afforded value to the Debtors and aided in the reorganization process. The Released Parties have expended significant time and resources analyzing and negotiating the issues presented by the Debtors' prepetition capital structure. The Debtors believe that each of the Released Parties played an integral role in the formulation of the Plan, which, among other things, avoids the estates' incurring an additional approximately \$259 million in "make-whole" premiums, provides for an equitable distribution to the Debtors' stakeholders and preserves the going-concern value of the Reorganizing Debtors' businesses.

The Debtors reserve the right to make appropriate changes to the Plan to the extent the Bankruptcy Court does not approve the releases.

(iv) *Exculpation*

Except as otherwise specifically provided in the Plan or Plan Supplement, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any Exculpated Claim, obligation, Cause of Action or liability for any Exculpated Claim, except for gross negligence or willful misconduct (including fraud), but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Debtors and the Reorganized Debtors (and each of their respective Affiliates, agents, directors, officers, employees, advisors and attorneys) have participated in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation of the Plan and the distribution of securities pursuant to the Plan, and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan; provided that for the avoidance of doubt, the Debtors, the Liquidating Debtors, the Reorganizing Debtors, and the Reorganized Debtors, as applicable, remain liable under the Senior Priority Documents and the Second Lien Notes Indenture (with respect to the New Second Lien Notes to be issued, outstanding and governed thereunder), and all liens, security and ancillary documents related thereto (including but not limited to all Note Security Documents and the Senior Intercreditor Agreement (each as defined in the Second Lien Notes Indenture)) will remain in full force and effect, each in accordance with the terms thereof, provided that the assets of the Liquidating Debtors shall not secure the New Second Lien Notes.

(v) *Discharge of Claims and Termination of Interests*

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan, the distributions, rights and treatment that are provided in the Plan shall be in full and final satisfaction, settlement, release and discharge, effective as of the Effective Date, of all Claims, Interests and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities and Causes of Action that arose before the Effective Date, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, in each case whether or not:

- a Proof of Claim or Interest based upon such Claim, debt, right or Interest is filed or deemed filed pursuant to section 501 of the Bankruptcy Code;
- a Claim or Interest based upon such Claim, debt, right or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or
- the holder of such a Claim or Interest has accepted the Plan.

Except as otherwise provided in the Plan, any default by the Debtors or their Affiliates with respect to any Claim or Interest that existed before or on account of the filing of the Chapter 11 Cases shall be deemed cured on the

Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the Effective Date occurring, except as otherwise expressly provided in the Plan.

(vi) *Injunction*

FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY CAUSE OF ACTION RELEASED OR TO BE RELEASED PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN ARTICLE IX OF THE PLAN, THE RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, INTEREST OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO ARTICLE IX OF THE PLAN.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THE PLAN, ALL ENTITIES WHO HAVE HELD, HOLD OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED PURSUANT TO SECTIONS 9.2 OR 9.3 OF THE PLAN, OR DISCHARGED PURSUANT TO SECTION 9.5 OF THE PLAN OR ARE SUBJECT TO EXCULPATION PURSUANT TO SECTION 9.4 OF THE PLAN, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS:

- COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS;
- ENFORCING, ATTACHING, COLLECTING OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE OR ORDER AGAINST SUCH ENTITIES ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS;
- CREATING, PERFECTING OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH ENTITIES OR THE PROPERTY OR ESTATE OF SUCH ENTITIES ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; AND
- COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED OR DISCHARGED PURSUANT TO THE PLAN.

THE RIGHTS AFFORDED IN THE PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS THEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THEIR ASSETS, PROPERTY OR ESTATES. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE INTERESTS SHALL BE CANCELLED.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR IN THE PLAN OR IN OBLIGATIONS ISSUED PURSUANT HERETO FROM AND AFTER THE EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED

COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER SECTION 502(G) OF THE BANKRUPTCY CODE.

ALL ENTITIES SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE REORGANIZED DEBTORS, EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS OR ANY ACT OR OMISSION, TRANSACTION OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

(vii) Term of Injunctions or Stays

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

(viii) Protection Against Discriminatory Treatment

Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend or refuse to renew a license, permit, charter, franchise or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors or another Entity with whom such Reorganized Debtors have been associated, solely because one of the Debtors has been a debtor under chapter 11, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtor is granted or denied a discharge) or has not paid a debt that is dischargeable in the Chapter 11 Cases.

(ix) Release of Liens

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, in satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title and interest of any holder of such mortgages, deeds of trust, Liens, pledges or other security interests shall revert to the Reorganized Debtors and their successors and assigns; *provided, however*, that, for the avoidance of doubt, the Liens securing the First Lien Credit Agreement Claims, First Lien Notes Claims and the New Second Lien Notes issued under the Second Lien Notes Indenture shall not be released.

I. Conditions Precedent to Confirmation of the Plan and the Effective Date

(i) Conditions Precedent to Confirmation

It will be a condition to Confirmation of the Plan that the following provisions, terms and conditions shall have been satisfied or waived pursuant to the provisions of Section 10.3 of the Plan.

1. The Bankruptcy Court shall have entered a Final Order, in form and substance acceptable to the Debtors, the Consenting First Lien Creditors and the Consenting Junior Lien Creditors, approving the Disclosure Statement with respect to the Plan as containing adequate information within the meaning of section 1125 of the Bankruptcy Code.
2. The Confirmation Order (a) shall be entered in form and substance acceptable to the Debtors, Consenting First Lien Creditors, and the Consenting Junior Lien Creditors and (b) shall include a finding by the Bankruptcy Court that the New Common Stock and Warrants to be issued on the

Effective Date will be authorized and exempt from registration under applicable securities law pursuant to section 1145 of the Bankruptcy Code.

3. The Plan and the Plan Supplement, including any schedules, documents, supplements and exhibits thereto (in each case in form and substance) shall be reasonably acceptable to the Debtors and the Consenting Junior Lien Creditors.

(ii) Conditions Precedent to the Effective Date

It will be a condition to the Effective Date that the following provisions, terms and conditions shall have been satisfied or waived pursuant to the provisions of Section 10.3 of the Plan.

1. The Restructuring Support Agreement shall be in full force and effect.
2. The Bankruptcy Court shall have entered one or more Final Orders (which may be the Confirmation Order) authorizing the assumption and rejection of executory contracts and unexpired leases by the Debtors as contemplated in the Plan.
3. The New Revolving Credit Facility Agreement shall have been executed and delivered by all of the Entities that are parties thereto, and all conditions precedent to the consummation thereof shall have been waived by the Debtors, with the consent of the Consenting First Lien Creditors and the Consenting Junior Lien Creditors, which consent shall not be unreasonably withheld, or satisfied in accordance with the terms thereof, and funding pursuant to the New Revolving Credit Facility shall have occurred.
4. The Confirmation Order shall have become a Final Order in form and substance acceptable to the Debtors and reasonably acceptable to the Consenting Junior Lien Creditors and the Consenting First Lien Creditors.
5. All of the schedules, documents, supplements and exhibits to the Plan shall have been filed in form and substance reasonably acceptable to the Debtors, the Consenting Junior Lien Creditors and the Consenting First Lien Creditors.
6. The Effective Date shall occur no later than July 8, 2015.

(iii) Waiver of Conditions

The Plan provides that the conditions to Confirmation of the Plan and to Consummation of the Plan set forth in Article X of the Plan may be waived at any time by the Debtors, with the consent of the Consenting Junior Lien Creditors and of the Consenting First Lien Creditors; *provided, however*, that the Debtors may not waive entry of the Order approving the Disclosure Statement and the Confirmation Order.

(iv) Effect of Failure of Conditions

The Plan provides that, if the Consummation of the Plan does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall:

- constitute a waiver or release of any claims by or Claims against or Interests in the Debtors;
- prejudice in any manner the rights of the Debtors, any holders of Claims or Interests or any other Entity; or
- constitute an admission, acknowledgment, offer or undertaking by the Debtors, any holders or any other Entity in any respect.

J. Modification, Revocation or Withdrawal of the Plan**(i) Modification and Amendments**

Except as otherwise specifically provided in the Plan, and subject to the Restructuring Support Agreement, the Debtors reserve the right, with the consent of the Consenting First Lien Creditors and the Consenting Junior Lien Creditors, to modify the Plan as to material terms and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not re-solicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modifications set forth in the Plan, the Debtors expressly reserve their rights, with the consent of the Consenting First Lien Creditors and Consenting Junior Lien Creditors to alter, amend or modify materially the Plan with respect to any or all Debtors, one or more times, after Confirmation, and, to the extent necessary, and with the consent of the Consenting First Lien Creditors and the Consenting Junior Lien Creditors, may initiate proceedings in the Bankruptcy Court to so alter, amend or modify the Plan or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. Any such modification or supplement shall be considered a modification of the Plan and shall be made in accordance with Article XI of the Plan.

(ii) Effect of Confirmation on Modifications

The Plan provides that entry of a Confirmation Order will mean that all modifications or amendments to the Plan occurring after the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

(iii) Revocation or Withdrawal of the Plan

Under the Plan, the Debtors reserve the right to revoke or withdraw the Plan before the Confirmation Date. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then:

- the Plan shall be null and void in all respects;
- any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and
- nothing contained in the Plan shall:
 - constitute a waiver or release of any Claims or Interests;
 - prejudice in any manner the rights of such Debtor or any other Entity; or
 - constitute an admission, acknowledgement, offer or undertaking of any sort by such Debtor or any other Entity.

K. Retention of Jurisdiction**(i) Jurisdiction of the Bankruptcy Court**

The Plan provides that, notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain such jurisdiction over the Chapter 11 Cases and all matters, arising out of or related to, the Chapter 11 Cases and the Plan including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate or establish the priority, Secured or Unsecured status or amount of any Claim or Interest, including the resolution of any request for

payment of any Administrative Claim and the resolution of any and all objections to the Secured or Unsecured status, priority, amount or allowance of Claims;

2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;
3. resolve any matters related to: (a) the assumption, assumption and assignment or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable in any manner and to hear, determine and, if necessary, liquidate, any Claims arising therefrom, including Rejection Claims, Cure Claims pursuant to section 365 of the Bankruptcy Code or any other matter related to such Executory Contract or Unexpired Lease; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (c) the Reorganized Debtors amending, modifying or supplementing, after the Effective Date, pursuant to Article VI of the Plan, any Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory or expired;
4. ensure that distributions to holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;
5. adjudicate, decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;
6. adjudicate, decide or resolve any and all matters related to any Cause of Action;
7. adjudicate, decide or resolve any and all matters related to section 1141 of the Bankruptcy Code;
8. enter and enforce any order for the sale of property pursuant to sections 363, 1123 or 1146(a) of the Bankruptcy Code;
9. resolve any avoidance or recovery actions under sections 105, 502(d), 542 through 551 and 553 of the Bankruptcy Code;
10. resolve any cases, controversies, suits, disputes or Causes of Action that may arise in connection with the Consummation, interpretation or enforcement of the Plan or any entity's obligations incurred in connection with the Plan;
11. resolve any cases, controversies, suits, disputes or Causes of Action that may arise in connection with or under the Senior Intercreditor Agreement (as defined in the First Lien Notes Indenture), the Junior Lien Intercreditor Agreement (as defined in the Second Lien Notes Indenture) or the subordination provisions contained in the 2016 Senior Subordinated Notes Indenture;
12. issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any entity with Consummation or enforcement of the Plan;
13. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the discharge, releases, injunctions, exculpations, indemnifications and other provisions contained in Article IX of the Plan and enter such orders as may be necessary or appropriate to implement such releases, injunctions and other provisions;
14. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the holder of a Claim for amounts not timely repaid pursuant to Section 7.9(a) of the Plan;

15. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;
16. determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan or the Disclosure Statement;
17. adjudicate any and all disputes arising from or relating to distributions under the Plan;
18. consider any modifications of the Plan, cure any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;
19. determine requests for the payment of Claims and Interests entitled to priority pursuant to section 507 of the Bankruptcy Code;
20. hear and determine disputes arising in connection with the interpretation, implementation or enforcement of the Plan or the Confirmation Order, including disputes arising under agreements, documents or instruments executed in connection with the Plan;
21. hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;
22. hear and determine all disputes involving the existence, nature or scope of the Debtors' discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred before or after the Effective Date;
23. enforce all orders previously entered by the Bankruptcy Court;
24. hear any other matter not inconsistent with the Bankruptcy Code; and
25. enter an order concluding or closing the Chapter 11 Cases.

The Debtors reserve the right to make appropriate changes to the Plan to the extent the Bankruptcy Court does not approve the retention of jurisdiction provision.

L. Miscellaneous Provisions

(i) Immediate Binding Effect

Subject to Section 10.2 of the Plan, and notwithstanding Bankruptcy Rules 3020(e), 6004(h) or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan and the Plan Supplement will be immediately effective and enforceable and deemed binding upon the Debtors, the Reorganized Debtors and any and all holders of Claims or Interests (irrespective of whether such Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

(ii) Additional Documents

On or before the Effective Date, the Debtors may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or Reorganized Debtors, as applicable, and all holders of Claims or Interests receiving distributions pursuant to the Plan and all other parties in interest will, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

(iii) Dissolution of Creditors' Committee

The Plan contemplates that, on the Effective Date, the Creditors' Committee will dissolve, except the Creditors' Committee will remain intact with respect to any pending litigation or contested matter to which the Creditors' Committee is a party, any appeals filed regarding Confirmation, the resolution of any substantial contribution applications and the resolution of applications for Accrued Professional Compensation. On the Effective Date, subject to the prior sentence, the members of the Creditors' Committee will be released and discharged from all rights and duties from or related to the Chapter 11 Cases.

(iv) Payment of Fees and Expenses of the Indenture Trustees

The Plan provides that, notwithstanding any provision in the Plan to the contrary, the Debtors or Reorganized Debtors shall promptly pay in Cash in full reasonable, documented and necessary out-of-pocket fees and expenses incurred by the Indenture Trustees without the need of such parties to file fee applications with the Bankruptcy Court; *provided* that each party and its counsel shall provide the Debtors with the invoices (or such other documentation as the Debtors or another of such parties may reasonably request) for which it seeks payment on or before the Effective Date and provided that the Debtors have no objection to such fees, such fees shall be paid within 30 business days of the Effective Date. The Plan provides that, to the extent that the Debtors object to any of the fees and expenses of the Indenture Trustees or their counsel or advisors, the Debtors shall not be required to pay any disputed portion of such fees until a resolution of such objection is agreed to by the Debtors or a further order of the Bankruptcy Court upon a motion by such party.

(v) Waiver of Federal Rule of Civil Procedure 62(a)

The Plan provides that the Debtors may request that the Confirmation Order include (a) a finding that Fed. R. Civ. P. 62(a) shall not apply to the Confirmation Order, and (b) authorization for the Debtors to consummate the Plan immediately after entry of the Confirmation Order.

(vi) Vacatur of Confirmation Order

The Plan provides that, if a Final Order denying confirmation of the Plan is entered, or if the Confirmation Order is vacated, then the Plan will be null and void in all respects, and nothing contained in the Plan will (a) constitute a waiver or release of any Claims against or Interests in the Debtors or (b) prejudice in any manner the rights of the holder of any Claim against, or Interest in, the Debtors.

(vii) Reservation of Rights

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. None of the Plan, any statement or provision contained in the Plan or any action taken or not taken by any Debtor with respect to the Plan, the Disclosure Statement or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the holders of Claims or Interests before the Effective Date.

(viii) Successors and Assigns

The Plan provides that 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, any heir, executor, administrator, successor or assign, affiliate, officer, director, manager, agent, representative, attorney, beneficiaries or guardian, if any, of each Entity.

(ix) Service of Documents

After the Effective Date, any pleading, notice or other document required by the Plan to be served on or delivered to the Reorganized Debtors shall be served on:

Altegrity, Inc.
600 Third Avenue, 4th Floor

New York, NY 10016
Attention: David R. Fontaine, Executive Vice President,
Chief Legal & Administrative Officer
Facsimile: (703) 637-1741

with copies to:

Debevoise & Plimpton, LLP
919 Third Avenue
New York, NY 10022
Attn: M. Natasha Labovitz, Esq., Jasmine Ball, Esq. and Craig Bruens, Esq.
Facsimile: (212) 909-6836

After the Effective Date, the Debtors may, in their sole discretion, notify Entities that, in order to continue receiving documents pursuant to Bankruptcy Rule 2002, such Entities must file a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have filed such renewed requests.

(x) Entire Agreement

Except as otherwise indicated, the Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings and representations on such subjects, all of which have become merged and integrated into the Plan.

(xi) Severability of Plan Provisions

If, before Confirmation of the Plan, any term or provision of the Plan is held by the Bankruptcy Court or any other court exercising jurisdiction to be invalid, void or unenforceable, the Bankruptcy Court or other court exercising jurisdiction shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is:

- valid and enforceable pursuant to its terms;
- integral to the Plan and may not be deleted or modified without the consent of the Debtors;
and
- nonseverable and mutually dependent.

(xii) Exhibits

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are filed, copies of such exhibits and documents shall be available upon request to the Debtors' counsel, by contacting Jasmine Ball, Debevoise & Plimpton LLP, 919 Third Avenue, New York, NY 10022, Telephone: (212) 909-6000, email: jball@debevoise.com, at the Bankruptcy Court's website at <https://ecf.deb.uscourts.gov> or at the website of the Claims and Noticing Agent, at <https://cases.primeclerk.com/Altegrity>. To the extent any exhibit or document is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall control.

(xiii) Votes Solicited in Good Faith

The Plan provides that, upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code and any applicable non-bankruptcy law, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and their respective Affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale and purchase of Plan securities offered and sold under the Plan, and, therefore, will have no liability for the violation of any applicable law, rule or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale or purchase of the New Common Stock offered and sold under the Plan.

(xiv) Closing of Chapter 11 Cases

The Plan provides that the Debtors will, promptly after the full administration of the Chapter 11 Case with respect to each Debtor, file with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Chapter 11 Case for each such Debtor, Reorganized Debtor or Liquidating Debtor.

(xv) Conflicts

Except as set forth in the Plan, to the extent that any provision of the Disclosure Statement or any other order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of the Plan, the Plan will govern and control; *provided, however*, that if there is a conflict between the Plan and a Plan Supplement document, including the First Lien Debt Amendments, the Plan Supplement document, will govern and control.

IX.**ADDITIONAL DISCLOSURE REGARDING CLAIMS AND RECOVERIES UNDER THE PLAN****A. Discussion of Settlements Contemplated Pursuant to the Plan**

The Plan constitutes a good faith compromise and settlement of all Claims and controversies resolved pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, in consideration for the classification, distributions, releases and other benefits provided under the Plan.

Under Bankruptcy Rule 9019, a bankruptcy court can approve a compromise or settlement if it is in the best interests of the debtor's estate. *See Law Debenture Trust Co. of New York v. Kaiser Aluminum Corp. (In re Kaiser Aluminum Corp.)*, 339 B.R. 91, 95-96 (D. Del. 2006) ("Pursuant to Bankruptcy Rule 9019, the Bankruptcy Court must determine whether a proposed settlement is in the best interest of the debtor's estate before such a settlement is approved."). In evaluating a settlement, the bankruptcy court must exercise its discretion and make an independent determination that the settlement is fair and reasonable. *See In re Marvel Entm't Grp., Inc.*, 222 B.R. 243, 249 (D. Del. 1998) ("This court has described the ultimate inquiry to be whether 'the compromise is fair, reasonable, and in the interest of the estate.'" (quoting *In re Louise's, Inc.*, 211 B.R. 798, 801 (D. Del. 1997))). In addition, a court must: "'assess and balance the value of the claim that is being compromised against the value to the estate of the acceptance of the compromise proposal' in light of four factors: (1) the probability of success in the litigation, (2) the likely difficulties in collection, (3) the complexity of the litigation involved, and the expense, inconvenience and delay necessarily attending it, and (4) the paramount interests of the creditors." *In re Kaiser Aluminum Corp.*, 339 B.R. at 96 (quoting *In re Martin*, 91 F.3d 389, 392 (3d Cir. 1996)).

The treatment of creditors and distribution of assets under the Plan contemplates a comprehensive agreement under which the parties to the Restructuring Support Agreement have consensually resolved or agreed not to pursue claims, objections, litigation or other disputes (each, a "**Dispute**") that otherwise likely would arise and be required to be resolved in these Chapter 11 Cases, including, solely by way of example, potential Disputes related to the calculation and enforceability of make-whole premiums, valuation of the Debtors and their assets, the ability to

reinstate certain classes of debt, whether the Plan constitutes a change of control of the Debtors, feasibility of the Plan, and the ability of the Debtors to satisfy other requirements for confirmation of a plan of reorganization.

B. Legal Matters

The Company and its subsidiaries are made party to litigation, administrative proceedings and claims arising in the normal course of business. In addition, in the ordinary conduct of their business activities, the Company and its subsidiaries receive public and non-public inquiries from federal and state regulatory agencies or bodies charged with overseeing the enforcement of laws and regulations that may relate to the various businesses operated by the Company's subsidiaries. The Company and its subsidiaries routinely respond to such inquiries and requests for information.

As of Petition Date, the Company and its subsidiaries have been named as defendants in certain civil litigation matters or had written demands made on them. Some of these outstanding matters include speculative claims for substantial or indeterminate amounts. It is the Company's policy to accrue for amounts related to legal matters if it is probable that a liability has been incurred and the amount is reasonably estimable. If a range of amounts can be reasonably estimated and no amount within the range is a better estimate than any other amount, then the minimum of the range is accrued. The Company does not record liabilities when the likelihood that the liability has been incurred is probable, but the amount cannot be reasonably estimated or when the liability is believed to be only reasonably possible or remote. The Company recognizes all contingencies as part of selling, general and administrative expenses. Management reviews litigation claims and matters at least quarterly, including updates from corporate and outside counsel, to assess the impact and status of settlements, rulings, advice of counsel and other relevant information to a particular matter and to evaluate accounting recognition or disclosure of these contingencies.

With respect to all the matters detailed below (unless otherwise noted), before the Petition Date, the Company and its subsidiaries vigorously contested the claims and/or allegations advanced and pursued all available defenses and/or counterclaims. The Company and its subsidiaries also continually assessed their strategies in defending these matters and, where appropriate, pursued settlements and other resolutions in their best interest. As a result of the Chapter 11 Cases, substantially all of these matters have been stayed pursuant to section 362 of the Bankruptcy Code and the claims asserted in these matters will be discharged and permanently enjoined from further prosecution. Matters that have been asserted against non-Debtors have not been stayed and will not be discharged. Such matters will continue to be vigorously contested by the Company and its subsidiaries. Under the Plan, any Allowed Claims with respect to the matters asserted against the Debtors will be entitled to a pro rata share of the Warrants or distributions, if any, from the Liquidating Debtors Unsecured Claims Distribution Pool, as applicable. Certain of these matters are subject to a contractual indemnitor and available insurance coverage. The final outcome of any legal proceedings and negotiated resolutions cannot be predicted with certainty.

The Company and its subsidiaries are periodically involved in other litigation arising out of the ordinary course of business. There is a contractual indemnitor for certain of these other litigation matters that the Company is the subject of. Based on current information and giving effect to the contractual indemnities, and the Company's available insurance coverage and the discharge of Claims under the Plan, the Debtors do not expect the ultimate resolution of these other litigation matters to have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

C. Kroll Legal Matters

On June 20, 2012 Kroll Associates U.K. Limited ("**Kroll UK**") was served with a substantive claim brought by (1) Dar Al Arkan Real Estate Development Company and (2) Bank Alkhair BSC against (i) Majid Al Refai, (ii) Kroll UK and (iii) Alex Richardson (FTI Consulting Limited was added as a defendant in July 2012). The injunction, as it pertained to Kroll UK, related to engagements carried out by Kroll UK in 2010 and 2011 for Mr. Majid Al Refai. Kroll UK's work was performed primarily in Dubai and Bahrain. The claimants are Al Refai's previous employer, Bank Alkhair, an Islamic Investment Bank in Bahrain which Al Refai co-founded with the chairman Sheikh Yousef Al Shelash in 2004, and a related company, Dar Al Arkan Real Estate Development Company. Kroll UK received Particulars of Claim in August 2012, which, as against Kroll UK, seek damages/equitable compensation for conspiracy, unlawful interference with business interests, breach of confidence,

libel and malicious falsehood, as well as a permanent injunction. Although the claimants' losses remain largely undefined, the claimants have most recently alleged their combined losses are well in excess of \$500 million. On February 25, 2015, the claimants filed a lawsuit in the New York State Supreme Court against Forensic Technologies International Limited based upon the litigation against Kroll UK. In that action, the claimants asserted that they intend to pursue relief against Kroll in the Chapter 11 Cases.

Kroll has been threatened with potential claims by the Receiver of the estates of Stanford International Bank, Ltd., Stanford Group Company, and all entities owned or controlled by them or by Robert Allen Stanford, James M. Davis, and/or Laura Pendergest-Holt, including, without limitation, Stanford Financial Group Co., Stanford Trust Company, and Stanford Trust Company Limited, Inc. d/b/a Stanford Fiduciary Investor Services, Inc., as well as the Official Stanford Investors Committee, on behalf of a putative class of investors, account holders, beneficial holders, or other persons or entities, past or present, who purchased, acquired, received, or otherwise obtained, directly or indirectly, Certificates of Deposit or other deposit, financial or investment instruments, products or services from the claimants, Stanford International Bank, Ltd., Stanford Group Company, or Stanford related entities. The claimants have not filed claims against Kroll, but allege that Kroll is liable to them because Kroll previously provided services to and allegedly assisted Robert Allen Stanford and his companies. Pursuant to a tolling agreement, the claimants have temporarily agreed not to file claims against Kroll. There is a contractual indemnitor for Kroll's liabilities to the claimants, however, there can be no guarantee that the contractual indemnitor will fund its indemnity obligations or that Kroll's liabilities to the claimants will not exceed the maximum amount of the contractual indemnitor's indemnification obligation.

D. HireRight Legal Matters

The Company's subsidiary, HireRight Solutions, Inc. (f/k/a USIS Commercial Services, Inc.) ("**HireRight Solutions**"), was named as a co-defendant in 24 separate but related multiple plaintiff civil actions filed in the California state courts. First Student, Inc., a customer of HireRight Solutions, is the co-defendant in all but a few of the civil actions where the named co-defendant is First Transit, Inc., also a customer of HireRight Solutions and an affiliate of First Student, Inc. These 24 cases are currently pending in the Los Angeles Superior Court and have been consolidated into a single action. The plaintiffs allege identical claims asserting violations of the California state equivalent of the Fair Credit Reporting Act (the "**FCRA**"), the California Investigative Consumer Reporting Agencies Act. On February 5, 2013, the Court granted a motion by HireRight Solutions' co-defendants to dismiss from the action 109 of the individual plaintiffs. On December 18, 2013, the Court granted Defendants' motions for summary judgment as to certain "bellwether" plaintiffs used to support Defendants' motions for summary judgment. On October 15, 2014, the parties participated in a mandatory settlement conference, at which the matter did not settle. Plaintiffs filed their opening brief on appeal on October 16, 2014.

During the year ended September 30, 2012, the Company's subsidiary, The Official Information Company ("**TOIC**"), received a Notice of Assessment from a state tax commission (the "**Commission**") regarding the income tax return for the year ended September 30, 2011 by TOIC and its subsidiaries, including HireRight Solutions. The Commission proposed an assessment adjusting the apportionable income of HireRight Solutions to reflect the gain from the sale of a former subsidiary of HireRight Solutions. If the Commission is successful, the apportionable income of TOIC for the year ended September 30, 2011 would be increased and, based upon the Notice of Assessment, could result in an income tax liability of \$16,900,000 plus penalties and interest. On December 6, 2012, TOIC filed a protest before the Oklahoma Tax Commission challenging the assessment proposed by the Commission and contending that the gain was properly excluded from tax. TOIC is continuing to respond to information requests by the Office of General Counsel of the Commission. The Company, in consultation with its advisors, believes that TOIC's position with respect to the filing is more likely than not to be sustained.

On May 24, 2013, Blanca Watkins filed a purported class action Complaint against HireRight, Inc., in the civil action captioned *Blanca Watkins, individually, on behalf of other similarly situated individuals, and on behalf of the general public v. HireRight, Inc.*, in the Superior Court for the State of California, County of San Diego, Central Division, Case No. 37-2013-00050017-CU-OE-CTL. Plaintiff alleges violations of the FCRA for: (1) reporting obsolete dismissed charges in violation of 15 U.S.C. § 1681c(a) and (5); (2) assisting employers in violating California EEOC laws by reporting dismissed charges pursuant to California Penal Code § 1203.4 in violation of the FCRA prohibition on the provision of reports that violate state law (15 U.S.C. §§ 1681b(b)(1)(a)(ii) and 1681e(a)); and (3) failing to provide consumers a full file disclosure on request (15 U.S.C. § 1681g(a)(1)). On

July 21, 2014, Plaintiffs filed their motion for class certification, seeking to certify only one of their three claims. By settlement agreement dated January 30, 2015, the parties agreed to a settlement totaling up to \$1,584,000. On or about January 30, 2015, Plaintiffs filed with the Court their Motion for Preliminary Approval.

On November 1, 2013, Felix Prescott filed a First Amended Class Action Complaint against HireRight Solutions, and the action is captioned *Felix B. Prescott, individually, and as a representative of the class, v. HireRight Solutions, Inc.; American Automobile Association; and AAA Auto Club of Southern California*, in the California Superior Court, County of Los Angeles, Central District, Case No. BC501023. Plaintiff alleges violations of the FCRA, 15 U.S.C. § 1681b(3)(A). By written Order entered on May 14, 2014, the Court granted HireRight Solutions' motion for judgment on the pleadings. The Plaintiff potentially could still appeal this ruling in favor of HireRight Solutions.

On or about February 26, 2015, HireRight, Inc. customer, Sears Holding Management Corporation, asserted a claim for a billing error by HireRight, Inc. in excess of \$400,000. The companies currently are investigating this matter.

On April 7, 2014, Kroll Background America, Inc. (“**KBA**”) was served with a civil complaint captioned *T.W. et al. v. Fairview Health and Rehabilitation Ctr., et al.* The case was filed in the Circuit Court of Jefferson County, Alabama, Bessemer Division, Case No. 68-CV-2014-900168.00. The complaint alleges that a former employee of Fairview Health — Mr. Walter Thomas — sexually assaulted Plaintiff T.W. while a patient at the Fairview Health facility. As to KBA, the Plaintiffs assert that KBA failed to perform an adequate pre-employment background check when Fairview Health rehired Mr. Thomas in February 2012. By Order dated April 21, 2014, the case was transferred to the Court's Birmingham Division. The complaint does not specify the amount of damages claimed, nor has KBA received any specific settlement demand. Accordingly, at this still-early stage of the litigation, there is no basis to estimate the amount of this claim.

On May 19, 2014, KBA received a draft complaint from counsel representing former KBA customer, Comdata Corporation (“**Comdata**”). The complaint alleged unspecified damages, and sought indemnification pursuant the professional services agreement between the parties due to KBA's alleged negligence in the preparation of a single background screening report on or about May 30, 2008. At Comdata's request, the parties entered into a tolling agreement. On or about February 26, 2015, Continental Casualty Company, the insurer of Comdata parent Ceridian LLC, filed a Complaint captioned *Continental Casualty Company, a/s/o Ceridian LLC v. Kroll Background America, Inc.*, in the Circuit Court of Williamson County, Tennessee, Twenty-First Judicial District at Franklin, alleging against KBA negligence, breach of contract, breach of implied warranty, negligent misrepresentation and violation of the Tennessee Consumer Protection Act, resulting in losses of over \$3 million.

On June 6, 2014, in connection with the individual action captioned *Ronald Mukasa Maiteki v. Marten Transport Ltd, Knight Transportation, Inc., Swift Transportation Co. of Arizona LLC, HireRight Inc.*, the plaintiff made a settlement demand on HireRight, Inc. for \$582,000 and indicated alleged damages in excess of \$1 million. The plaintiff asserts claims against HireRight, Inc. for violations of the FCRA, for violations of the Colorado Consumer Credit Reporting Act, and for intentional infliction of emotional distress, in connection with the reporting of allegedly false driving history information. On January 23, 2015, the Court issued an order granting in part HireRight's motion for partial judgment on the pleadings.

By letter dated July 15, 2014, HireRight customer, AT&T Corp. (“**AT&T**”), demanded that HireRight indemnify, defend and hold AT&T harmless in connection with the putative class action captioned *Steven Johnson v. AT&T Corp.*, Case No. 4:14-cv-00453, filed and pending in the U.S. District Court, Eastern District of Missouri, Eastern Division. Count I of the Johnson complaint alleges that AT&T violated the FCRA when AT&T informed the plaintiff, before AT&T provided certain disclosures required to be made prior to using a consumer report to make an adverse employment decision, that Johnson would not be hired. Counts II and III of the Johnson complaint allege that AT&T procured consumer reports without first providing certain disclosures and obtaining authorization as required by the FCRA. HireRight denies any liability in this matter and intends to defend this claim in all respects.

On August 1, 2014, HireRight, Inc. was named in a non-class complaint captioned *Craig J. Cooper, Desmond H. Walton, and Philip R. Burke v. HireRight, Inc.* The case was filed in the U.S. District Court for the

Eastern District of Virginia, Case No. 14-CV-545. The complaint alleges 6 counts that defendant violated the FCRA.

By letter dated September 3, 2014, HireRight customer, Providence Health & Services, (“**Providence Health**”), demanded that HireRight indemnify, defend and hold Providence harmless in connection with the putative class action captioned *Daniel R. Corliss v. Providence Health & Services*, Case No. 3:14-cv-00119-BR filed and pending in the U.S. District Court, District of Oregon, Portland Division. Count I of the Corliss complaint alleges that Providence Health violated the FCRA by failing to provide plaintiff with a copy of his consumer report and summary of his rights, as required by the FCRA, prior to using his consumer report to make an adverse employment decision that Corliss would not be hired. HireRight denies any liability in this matter and intends to defend this claim in all respects.

On September 12, 2014, HireRight, Inc. and Alteryx, Inc. were named in a putative civil class action complaint captioned *Carrie E. Wirt v. Alteryx, Inc. and HireRight, Inc.* The case was filed in the U.S. District Court, Southern District of New York, Case No. 14-CV-7414. The complaint alleges 4 class counts that defendants violated: (1) N.Y. Gen. Bus. Law §380-j(a) by reporting non-criminal conviction information prohibited by the statute; (2) N.Y. Gen. Bus. Law §380-j(b) by reporting information provided by a retail mercantile establishment without an admission of wrongdoing, and failing to comply with the statute’s written notice of rights and certification requirements; (3) N.Y. Gen. Bus. Law §380-j(f)(1)(b) by reporting “records of conviction of crime which, from the date of disposition, release, or parole, antedate the report by more than seven years” (plaintiffs subsequently filed an amended complaint removing this count); and (4) 15 U.S.C. §1681e(b) by failing to maintain reasonable procedures to assure maximum possible accuracy in the preparation of Plaintiff’s and the class’ background reports and the reporting of allegations of theft to employers. The complaint alleges one individual damages count that defendants violated N.Y. Gen. Bus. Law §380-j(e) by reporting a theft incident about Wirt when the charges had been dismissed by Kmart and Wirt never executed an admission of wrongdoing, thereby causing Wirt loss of employment and emotional distress damages. The complaint does not specify the amount of damages claimed.

By letter dated October 17, 2014, HireRight customer, The Scotts Company LLC (“**Scotts**”), demanded that HireRight indemnify, defend and hold Scotts harmless in connection with the putative class action captioned *Carla Rawlings v. The Scotts Company LLC*, Case No. 4:14-cv-00319-BCW, filed and pending in the U.S. District Court, Eastern District of Missouri, Eastern Division. Count I of the Rawlings complaint alleges that Scotts violated the FCRA by failing to provide the plaintiff with a copy of her consumer report, and a reasonable period of time to dispute any content therein, prior to using her consumer report to make an adverse employment decision that Rawlings would not be hired. Counts II and III of the Rawlings complaint allege that Scotts procured consumer reports without first providing certain disclosures and obtaining authorization as required by the FCRA. HireRight denies any liability in this matter and intends to defend this claim in all respects.

In January 2015, HireRight, Inc. customer, Anchorage Capital Group, LLC, (“**Anchorage**”), requested that HireRight reimburse Anchorage’s applicant/employee for their alleged loss of a \$700,000 bonus due to HireRight, Inc. allegedly conducting an employment verification with their then-current employer despite instruction to the contrary.

On February 11, 2015, HireRight, Inc. was named in a purported class action complaint captioned John McIntyre, individually and on behalf of himself and others similarly situated vs. Ferrellgas, Inc., a Delaware Corporation; HireRight, Inc., a Delaware Corporation, filed in the U.S. District Court, Southern District of California, Case No. 15CV287-LAB-RBB. The plaintiff alleges that HireRight, Inc. violated FCRA §1681b(b)(1) for failing to obtain the required certification from Ferrellgas.

By letter dated February 18, 2015, HireRight, Inc. customer, ADS Alliance Data Systems, Inc., notified HireRight of, and reserved its rights to seek indemnification from HireRight, Inc. in connection with, the putative class action captioned *Carla Rawlings v. ADS Alliance Data Systems, Inc.*, Case No. 15AC-CC00066, filed and pending in the Circuit Court of Cole County, Missouri.

E. USIS Legal Matters

On January 11, 2012, the OPM Office of Inspector General (“OIG”) issued a subpoena requesting documents from USIS and its affiliated entities relating to two Fieldwork Services Contracts with the OPM. USIS and its affiliated entities fully complied with the subpoena and are cooperating with the investigation. The Company remains in active communication with the Government. Management has reviewed the status of the matter with internal corporate and outside counsel, and, based upon this review, has determined it is probable that this matter will result in US Investigations Services, LLC incurring a liability. The ultimate amount of the liability for this loss contingency is not yet specifically determinable, but the Company’s best estimate for the minimum amount of the loss related to this matter is \$18 million. In accordance with its accounting policies, the Company has recorded a loss contingency of \$18 million in its results of operations for the year ended September 30, 2013. On July 12, 2013, USIS’s counsel handling this matter was contacted by a representative of the Government and informed that the U.S. Attorney’s Office for the District of Columbia (the “USAODC”) has decided to initiate a review of this matter. A False Claims Act complaint filed against US Investigations Services, LLC alleges that it failed to adhere to the terms of its background investigation contracts with OPM. On January 22, 2014, the Department of Justice filed its civil intervenor complaint in the United States District Court for the Middle District of Alabama. The case is captioned *United States of America, ex rel., Blake Percival v. US Investigations Services, LLC*, United States District Court for the Middle District of Alabama, Case No. 2:11-CV-527-WKW. By Order entered April 24, 2014, the Chief Judge of the United States District Court for the District of Alabama granted the motion of the United States to transfer the case captioned *United States, ex rel., Blake Percival v. US Investigations Services, LLC* to the United States District Court for the District of Columbia. The Order transfers all aspects of the case to the United States District Court for the District of Columbia. USIS intends to continue to cooperate with the government and the USAODC. At this time, the Company cannot predict what, if any, action the Government or the USAODC will take.

On October 3, 2014, a putative class action was filed against US Investigations Services, LLC alleging violations of the Worker Adjustment and Retraining Notification Act, 29 U.S.C. §§ 2101 et seq. (the “WARN Act”). On February 9, 2015, the same lawsuit was filed as an adversary proceeding before the Court captioned *Karaniewsky, et al. v. Altegrity, Inc., et al.*, Adv. Proc. No. 15-50204 (LSS). The lawsuit also seeks to hold certain other Altegrity entities liable jointly with US Investigations Services, LLC on a “single employer” theory. Plaintiffs Thomas Karaniewsky and Angela Rodriguez were employed by US Investigations Services, LLC and worked at their homes as a Record Searcher II and Senior Investigator, respectively. In or around September 30, 2014, US Investigations Services, LLC terminated their employments, and those of over 1,000 other employees at various locations, after the federal government unexpectedly ended a large contract. US Investigations Services, LLC gave the affected employees written notice, but did not provide 60 days of notice. Plaintiffs contend these terminations without 60 days’ notice were a violation of the WARN Act. US Investigations Services, LLC contends that it cannot be held liable to the plaintiffs and/or other members of the putative class for a numbers of reasons, including (1) the terminations in question were ordered by the U.S. government, not Defendant, within the meaning of the WARN Act, (2) if WARN Act notice was required, US Investigations Services, LLC gave notice that satisfied the WARN Act pursuant to the “not reasonably foreseeable business circumstances” exception to the WARN Act’s notice requirements, (3) US Investigations Services, LLC’s terminations of the employees’ employments were technical terminations of employment that did not constitute employment losses due to the “Nondisplacement of Qualified Workers” provision of Section 5 of Executive Order 13495, and (4) WARN Act notice was not triggered with respect to Plaintiffs and most putative class members because there were not a sufficient number of “employment losses” at the relevant single sites of employment. US Investigations Services, LLC also contests the certification of the class action. US Investigations Services, LLC also claims it acted in good faith, such that if US Investigations Services, LLC is found to have violated the WARN Act the Court should reduce the amount of any otherwise applicable liability pursuant to 29 U.S.C. Sec. 2104(a)(4). The other Altegrity entity defendants join in the defenses that US Investigations Services, LLC asserts, and also deny the allegation that they exercised de facto control over USIS or can otherwise be held to be a “single employer” with US Investigations Services, LLC.

On December 29, 2014, Anthony DeLorenzo and Virginia DeLorenzo, served a putative class action lawsuit on US Investigations Services, LLC in the San Diego County Superior Court (Case No. 37-2014-00042453-CU-OE-NC). Plaintiffs seek to represent a class of all current and former California-based independent contractor investigators who provided services to USIS at any point in the four years preceding the filing of the complaint (i.e., December 16, 2010) through present. In the complaint, the plaintiffs allege that USIS has (1) willfully misclassified employee investigators as independent contractors (Cal. Labor Code § 226.8) and further alleges a host of claims

arising from the alleged misclassification including, (2) failure to pay all overtime wages; (3) failure to provide all meal periods; (4) failure to authorize and permit all paid rest periods; (5) failure to reimburse employee work expenses; (6) failure to pay all wages; (7) failure to furnish accurate itemized wage statements; (8) waiting time penalties for failure to pay all wages upon termination (Cal. Labor Code § 203); (9) derivative penalties under California's Private Attorney General Act (Cal. Labor Code § 2699); and (10) unfair businesses practices. The lawsuit also seeks declaratory relief.

X.
VOTING ON THE PLAN

A. Overview

On [●], the Bankruptcy Court entered the Solicitation Order, approving, among other things, the dates, procedures and forms applicable to the process of soliciting votes on and providing notice of the Plan and certain vote tabulation procedures and establishing the deadline for filing objections to the Plan and scheduling the Confirmation Hearing. Copies of the Solicitation Order and the Disclosure Statement Order are attached hereto as collective **Exhibit [●]**. The Solicitation Order is incorporated herein by reference and should be read in conjunction with this Disclosure Statement and in formulating a decision to vote to accept or reject the Plan.

THIS DISCUSSION OF THE SOLICITATION AND VOTING PROCESS IS ONLY A SUMMARY.
PLEASE REFER TO THE SOLICITATION ORDER ATTACHED HERETO FOR A MORE
COMPREHENSIVE DESCRIPTION OF THE SOLICITATION AND VOTING PROCESS.

B. Holders of Claims and Interests Entitled to Vote on the Plan

Under the provisions of the Bankruptcy Code, not all holders of claims against and interests in a debtor are entitled to vote on a chapter 11 plan. As shown in the table above, the Debtors are soliciting votes to accept or reject the Plan only from holders of Claims and Interests in Classes A4, A5, A7, B4, B5, B6, and B7 (collectively, the “**Voting Classes**”).

The holders of Claims and Interests in the Voting Classes are Impaired under the Plan and may receive a distribution under the Plan. Accordingly, holders of Claims and Interests in the Voting Classes have the right to vote to accept or reject the Plan.

The Debtors are **not** soliciting votes from holders of Classes A1, A2, A3, A6, A8, A9, A10, A11, B1, B2, B3 and B8.

Additionally, the Solicitation Order provides that certain holders of Claims in the Voting Classes, such as those holders whose Claims have been disallowed or are subject to a pending objection, are not entitled to vote to accept or reject the Plan. The table in Section I.C of this Disclosure Statement provides a summary of the status and voting rights of each Class (and, therefore, of each holder within such Class absent disallowance of, or an objection to, the holder's Claim) under the Plan.

C. Voting Record Date

The Voting Record Date is [●]. The Voting Record Date is the date on which it will be determined which holders of Claims and Interests in the Voting Classes are entitled to vote to accept or reject the Plan and whether Claims and Interests have been properly assigned or transferred under Bankruptcy Rule 3001(e) such that an assignee can vote as the holder of a Claim or Interest.

D. Voting on the Plan

The Voting Deadline is [4:00 p.m.] Prevailing Eastern Time on [●]. In order to be counted as votes to accept or reject the Plan, all Ballots must be properly executed, completed and delivered (either by using the return envelope provided, by first class mail, overnight courier or personal delivery or via electronic, online transmission)

so that they are **actually received** on or before the Voting Deadline by either the Claims and Noticing Agent at the following addresses:

DELIVERY OF BALLOTS
<p>Ballots must be actually received by the Claims and Noticing Agent by the Voting Deadline of [4:00 p.m.] prevailing Eastern Time on [●] at the following addresses:</p> <p>Altegrity, Inc. Ballot Processing c/o Prime Clerk LLC 830 Third Avenue, 9th Floor New York, NY 10022</p> <p>If you received an envelope addressed to your nominee, please allow enough time when you return your Ballot for your nominee to cast your vote on a Ballot before the Voting Deadline.</p> <p>In addition to accepting submitted hard copy Ballots via first class mail, overnight courier and hand delivery, you may submit your Ballot via electronic, online transmission through a customized “E-Ballot” section on the Debtors’ case website (https://cases.primeclerk.com/altegrity/EBallot-Home) on or before the Voting Deadline.</p> <p>If you have any questions on the procedure for voting on the Plan, please call the Claims and Noticing Agent at the following telephone number:</p> <p>(855) 842-4125</p>

E. Ballots Not Counted

No Ballot will be counted toward Confirmation if, among other things: (a) it is illegible or contains insufficient information to permit the identification of the holder of the Claim or Interest; (b) it was transmitted by facsimile; (c) it was cast by an entity that is not entitled to vote on the Plan; (d) it was cast for a Claim listed in the Schedules as contingent, unliquidated or disputed for which the applicable bar date has passed and no Proof of Claim was timely filed; (e) it was cast for a Claim that is subject to an objection pending as of the Voting Record Date (unless temporarily allowed in accordance with the Solicitation Order); (f) it was sent to the Debtors, the Debtors’ agents/representatives (other than the Claims and Noticing Agent), an Indenture Trustee or the Debtors’ financial or legal advisors instead of the Claims and Noticing Agent; (g) it is unsigned; or (h) it is not marked to either accept or reject the Plan or it is marked both to accept and reject the Plan. **Please refer to the Solicitation Order set forth in the Disclosure Statement Order for additional requirements with respect to voting to accept or reject the Plan.**

<p>IF YOU HAVE ANY QUESTIONS ABOUT THE SOLICITATION OR VOTING PROCESS, PLEASE CONTACT THE CLAIMS AND NOTICING AGENT.</p> <p>ANY BALLOT RECEIVED AFTER THE VOTING DEADLINE OR OTHERWISE NOT IN COMPLIANCE WITH THE SOLICITATION ORDER WILL <u>NOT</u> BE COUNTED.</p>
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XI.
CONFIRMATION OF THE PLAN

A. The Confirmation Hearing

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

The Bankruptcy Court has scheduled the Confirmation Hearing for [●], 2015 at [●] (prevailing Eastern Time) before the Honorable Laurie Selber Silverstein, United States Bankruptcy Judge, in the United States

Bankruptcy Court for the District of Delaware, located at 824 Market Street, 6th Floor, Courtroom 2, Wilmington, Delaware 19801. **The Confirmation Hearing may be adjourned from time to time without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or any adjournment thereof.**

B. Deadline to Object to Confirmation

Objections to Confirmation must be filed and served on or before [4:00 p.m.] (prevailing Eastern Time) on [●] in accordance with the notice of the Confirmation Hearing that accompanies this Disclosure Statement. **Unless objections to Confirmation are timely served and filed, they may not be considered by the Bankruptcy Court.**

C. Requirements for Confirmation

Among the requirements for Confirmation are the following: (i) that the Plan is accepted by all impaired Classes of Claims and Interests or, if the Plan is rejected by an impaired Class, that it “does not discriminate unfairly” and is “fair and equitable” as to such Class; (ii) that the Plan is feasible; and (iii) that the Plan is in the “best interests” of holders of Claims and Interests that are impaired under its provisions.

At the Confirmation Hearing, the Bankruptcy Court will determine whether the Plan satisfies the requirements of section 1129 of the Bankruptcy Code. The Debtors believe that the Plan satisfies or will satisfy all of the necessary requirements of chapter 11 of the Bankruptcy Code. Specifically, in addition to other applicable requirements, the Debtors believe that the Plan satisfies or will satisfy the applicable Confirmation requirements of section 1129 of the Bankruptcy Code set forth below:

- The Plan complies with the applicable provisions of the Bankruptcy Code.
- The Debtors, as the Plan proponents, have complied with the applicable provisions of the Bankruptcy Code.
- The Plan has been proposed in good faith and not by any means forbidden by law.
- Any payment made or promised under the Plan for services or for costs and expenses in, or in connection with, the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, has been disclosed to the Bankruptcy Court, and any such payment: (i) made before Confirmation is reasonable or (ii) subject to the approval of the Bankruptcy Court as reasonable, if it is to be fixed after Confirmation.
- Either each holder of an impaired Claim against the Debtors or Interest in Altegrity Holding Corp. has accepted the Plan, or each non-accepting creditor will receive or retain under the Plan on account of such Claim or Interest, property of a value, as of the Effective Date, that is not less than the amount that the holder would receive or retain if the Debtors were liquidated on that date under chapter 7 of the Bankruptcy Code.
- Each Class of Claims or Interests that is entitled to vote on the Plan will have accepted the Plan, or the Plan can be confirmed without the approval of the Class pursuant to section 1129(b) of the Bankruptcy Code.
- Except to the extent that the holder of a particular Claim agrees to a different treatment of its Claim, the Plan provides that Administrative Claims and Other Priority Claims will be paid in full on the Effective Date, or as soon thereafter as is reasonably practicable.
- At least one Class of Impaired Claims will have accepted the Plan, determined without including any acceptance of the Plan by any insider holding a Claim in that Class.

- Confirmation is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtors or any successors thereto under the Plan.
- All fees of the type described in 28 U.S.C. § 1930, including the fees of the U.S. Trustee, will be paid as of the Effective Date.

D. Best Interests of Creditors/Liquidation Analysis

Often called the “best interests” test, section 1129(a)(7) of the Bankruptcy Code requires that a bankruptcy court find, as a condition to confirmation, that a chapter 11 plan provides, with respect to each class, that each holder of a claim or an interest in such class either (i) has accepted the plan or (ii) will receive or retain under the plan property of a value, as of the effective date of the plan, that is not less than the amount that such holder would receive or retain if the debtors liquidated under chapter 7 of the Bankruptcy Code. To make these findings, a bankruptcy court must: (i) estimate the cash liquidation proceeds that a chapter 7 trustee would generate if each of the debtor’s chapter 11 cases were converted to a chapter 7 case and the assets of such debtor’s estate were liquidated; (ii) determine the liquidation distribution that each non-accepting holder of a claim or an interest would receive from such liquidation proceeds under the priority scheme dictated in chapter 7; and (iii) compare the holder’s liquidation distribution to the distribution under the plan that the holder would receive if the plan were confirmed and consummated.

To satisfy the requirements of section 1129(a)(7) of the Bankruptcy Code, the Debtors, together with their retained advisors, prepared the liquidation analysis attached hereto as **Exhibit D** to this Disclosure Statement (the “**Liquidation Analysis**”). Based upon on the Liquidation Analysis, the Debtors believe that all holders of Claims and Interests will receive equal or greater value as of the Effective Date than such holders would receive in a chapter 7 liquidation and that the Plan will therefore meet the “best interests” test provided in section 1129(a)(7) of the Bankruptcy Code.

E. Feasibility/Financial Projections

Section 1129(a)(11) of the Bankruptcy Code requires that confirmation of a plan of reorganization is not likely to be followed by the liquidation or the need for further financial reorganization of the debtor, or any successor to the debtor (unless such liquidation or reorganization is proposed in the plan of reorganization).

To determine whether the Plan meets this feasibility requirement, the Debtors have analyzed their ability to meet their respective obligations under the Plan. As part of this analysis, the Debtors have prepared the projections attached to this Disclosure Statement as **Exhibit E**. Based upon the projections, the Debtors believe that they will be a viable operation following the Chapter 11 Cases and that the Plan will meet the feasibility requirements of the Bankruptcy Code.

F. Acceptance by Impaired Classes

The Bankruptcy Code requires that, except as described in the following section, each impaired class of claims or interests must accept a plan in order for it to be confirmed. A class that is not “impaired” under a plan is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to the class is not required. A class is “impaired” unless the plan: (i) leaves unaltered the legal, equitable and contractual rights to which the claim or the interest entitles the holder of the claim or interest or (ii) cures any default, reinstates the original terms of such obligation, compensates the holder for certain damages or losses, as applicable, and does not otherwise alter the legal, equitable or contractual rights to which such claim or interest entitles the holder of such claim or interest.

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds in dollar amount and more than one-half in number of non-insider allowed claims in that class, counting only those claims that actually voted to accept or to reject the plan. Thus, a class of claims will have voted to accept the plan only if two-thirds in amount and a majority in number actually voting cast their ballots in favor of acceptance. For a class of impaired interests to accept a plan, section 1126(d) of the Bankruptcy Code requires acceptance by interest holders that hold at least two-thirds in amount of the allowed interests of such class, counting only those interests that actually voted to accept or reject the plan. Thus, a class of

interests will have voted to accept the plan only if two-thirds in amount actually voting cast their ballots in favor of acceptance.

G. Confirmation Without Acceptance by All Impaired Classes/Fair and Equitable Test

Section 1129(b) of the Bankruptcy Code allows a bankruptcy court to confirm a plan even if all impaired classes have not accepted the plan, *provided* that the plan has been accepted by at least one impaired class of claims. Pursuant to section 1129(b) of the Bankruptcy Code, notwithstanding an impaired class rejection or deemed rejection of the plan, the plan will be confirmed, at the plan proponent's request, in a procedure commonly known as "cramdown," so long as the plan does not "discriminate unfairly" and is "fair and equitable" with respect to each class of claims or interests that is impaired under, and has not accepted, the plan.

(i) No Unfair Discrimination

This test applies to classes of claims or interests that are of equal priority and are receiving different treatment under a proposed plan. The test does not require that the treatment be the same or equivalent, but that the treatment be "fair." In general, bankruptcy courts consider whether a plan discriminates unfairly in its treatment of classes of claims of equal rank (*e.g.*, classes of the same legal character). Bankruptcy courts will take into account a number of factors in determining whether a plan discriminates unfairly. Under certain circumstances, a proposed plan could treat two classes of unsecured creditors differently without unfairly discriminating against either class.

(ii) Fair and Equitable Test

This test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receive more than 100% of the amount of the allowed claims in such class. As to the dissenting class, this test sets different standards depending upon the type of claims or interests in such class:

a. Secured Claims

The condition that a plan be "fair and equitable" to a non-accepting class of secured claims includes the requirements that: (i) the holders of such secured claims retain the liens securing such claims to the extent of the allowed amount of the claims, whether the property subject to the liens is retained by the debtor or transferred to another entity under the Plan; and (ii) each holder of a secured claim in the class receives deferred cash payments totaling at least the allowed amount of such claim with a value, as of the Effective Date, at least equivalent to the value of the secured claimant's interest in the debtor's property subject to the liens.

b. Unsecured Claims

The condition that a plan be "fair and equitable" to a non-accepting class of unsecured claims includes the requirement that either: (i) the plan provides that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the Effective Date, equal to the allowed amount of such claim; or (ii) the holder of any claim or any interest that is junior to the claims of such class will not receive or retain any property under the plan on account of such junior claim or junior interest, subject to certain exceptions.

c. Interests

The condition that a plan be "fair and equitable" to a non-accepting class of interests, includes the requirements that either: (i) the plan provides that each holder of an interest in that class receives or retains under the plan on account of that interest property of a value, as of the Effective Date, equal to the greater of: (A) the allowed amount of any fixed liquidation preference to which such holder is entitled; (B) any fixed redemption price to which such holder is entitled; or (C) the value of such interest; or (ii) if the class does not receive the amount as required under (i) hereof, no class of interests junior to the non-accepting class may receive a distribution under the plan.

If any Impaired Class of Claims and Interests rejects the Plan or is deemed to reject the Plan, the Debtors will request Confirmation of the Plan, as it may be modified from time to time, utilizing the "cramdown" provisions

of section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to alter, amend, modify, revoke or withdraw the Plan before Confirmation, including to amend or modify the Plan to satisfy the requirements of section 1129(b) of the Bankruptcy Code.

The Debtors submit that if the Debtors need to “cram down” the Plan pursuant to section 1129(b) of the Bankruptcy Code, the Plan is structured such that it does not “discriminate unfairly” and satisfies the “fair and equitable” requirement. With respect to the unfair discrimination requirement, all Classes under the Plan are provided treatment that is substantially equivalent to the treatment that is provided to other Classes that have equal rank. The Debtors believe that the Plan and the treatment of all Classes of Claims and Interests under the Plan satisfy the foregoing requirements for cramdown.

H. Valuation of the Debtors

In conjunction with formulating the Plan, the Debtors determined that it was appropriate to estimate the post-Confirmation going-concern of the Reorganized Debtors (the “**Valuation Analysis**”). The Valuation Analysis is set forth on the exhibit attached hereto as **Exhibit F**.

XII.
RISK FACTORS

Holders of Claims and Interests should read and consider carefully the risk factors set forth below, as well as the other information set forth in this Disclosure Statement and the documents delivered together herewith, referred to or incorporated by reference herein, before voting to accept or reject the Plan. Although these risk factors are many, these factors should not be regarded as constituting the only risks present in connection with the Debtors' business or the Plan and its implementation.

The risk factors described herein may apply to the Debtors and/or the Reorganized Debtors, as the conditions require.

A. Risks Related to Confirmation

(i) *The Debtors May Not Be Able to Obtain Confirmation*

To emerge successfully from chapter 11 as a viable business, the Debtors, like any debtor, must obtain approval of a plan of reorganization, and thereafter confirm and successfully implement the Plan. This process requires the Debtors to (a) meet certain statutory requirements concerning the adequacy of disclosure with respect to any proposed plan; (b) solicit and obtain acceptances of the proposed plan; and (c) fulfill other statutory conditions with respect to plan confirmation.

As with regard to any proposed plan of reorganization, the Debtors may not receive the requisite acceptances to confirm the Plan. If the requisite acceptances of the Plan are received, the Debtors intend to seek Confirmation by the Bankruptcy Court under the "cramdown" provisions of the Bankruptcy Code, which allow the Bankruptcy Court to confirm a plan that has been rejected by an "impaired" class of claims or interests if it determines that the plan satisfies section 1129(b) of the Bankruptcy Code. As discussed in Section XI of this Disclosure Statement, to confirm a plan over the objection of a dissenting class, a bankruptcy court also must find that at least one impaired class of claims has accepted the plan, with such acceptance being determined without including the acceptance of any "insider" in such class.

Even if the requisite acceptances of the Plan are received, the Bankruptcy Court might not confirm the Plan as proposed. A dissenting holder of a Claim or Interest could challenge the balloting procedures and results as not being in compliance with the Bankruptcy Code. Further, even if the Bankruptcy Court determined that the balloting procedures and results were appropriate, the Bankruptcy Court could still decline to confirm the Plan if it found that any of the statutory requirements for confirmation had not been met. Specifically, section 1129 of the Bankruptcy Code sets forth the requirements for confirmation and requires, among other things, a finding by the Bankruptcy Court that (a) a debtor's plan "does not unfairly discriminate" and is "fair and equitable" with respect to any non-accepting classes; (b) confirmation of the debtor's plan is not likely to be followed by a liquidation or a need for further financial reorganization; and (c) the value of distributions to non-accepting holders of claims or interests within a particular class under the debtor's plan will not be less than the value of distributions such holders would receive if the debtor were liquidated under chapter 7 of the Bankruptcy Code. A bankruptcy court may determine that a proposed plan does not satisfy one or more of these requirements, in which case the proposed plan would not be confirmed by a bankruptcy court.

If the Plan is not confirmed by the Bankruptcy Court, it is unclear whether and when the Debtors would be able to reorganize their businesses and what, if any, distributions holders of Claims or Interests ultimately would receive on account of their Claims or Interests. There also can be no assurance that the Debtors will be able to successfully develop, prosecute, confirm and consummate an alternative plan of reorganization that is acceptable to the Bankruptcy Court and the Debtors' creditors and other parties in interest. Additionally, it is possible that third parties may seek and obtain approval to terminate or shorten the exclusive periods under section 1121 of the Bankruptcy Code during which only the Debtors may propose and solicit votes on a plan of reorganization. Finally, the Debtors' emergence from bankruptcy is not assured. While the Debtors expect to emerge from bankruptcy, there can be no assurance that the Debtors will successfully reorganize or when this reorganization will occur.

(ii) ***Parties in Interest May Object to the Debtors' Classification of Claims and Interests***

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an interest in a particular class only if the claim or interest is substantially similar to the other claims or interests in that class. The Debtors believe that the classification of Claims and Interests under the Plan complies with the requirements of the Bankruptcy Code because the Classes established under the Plan each encompass Claims or Interests that are substantially similar to similarly classified Claims or Interests. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

(iii) ***The Conditions Precedent to the Effective Date May Not Occur***

As more fully set forth in the Plan, which is attached hereto as **Exhibit A**, the Effective Date is subject to a number of conditions precedent. If these conditions precedent are not met or waived, the Effective Date will not occur.

(iv) ***The Debtors May Object to the Amount or Classification of a Claim***

Except as otherwise provided in the Plan, the Debtors reserve the right to object to the amount or classification of any Claim under the Plan. The estimates set forth in this Disclosure Statement cannot be relied on by any holder of a Claim where such Claim is subject to an objection. Any holder of a Claim that is subject to an objection thus may not receive its expected share of the estimated distributions described in this Disclosure Statement.

(v) ***The Chapter 11 Cases May Negatively Impact the Debtors' Future Operations***

The Reorganizing Debtors believe they will emerge from chapter 11 on the timetable and with the structure proposed in the Plan, but any alternative to Confirmation, such as an attempt by another party to file a competing plan, could result in significant delays, litigation and additional fees and costs. The Debtors believe that delays and uncertainty regarding the timing of the Chapter 11 cases may negatively impact the Company's employees and key customer and supplier constituencies, which could result in lower revenue and results of operations. Additionally, notwithstanding the emergence from chapter 11 of the Reorganized Debtors on the timetable and with the structure proposed in the Plan, the Chapter 11 cases may adversely affect the Company's ability to retain or recruit employees and senior management, retain existing customers and suppliers, attract new customers and maintain contracts that are critical to operations.

(vi) ***Failure to Confirm the Plan May Trigger "Make-Whole" Obligations***

If the Plan (or an alternative plan that comports with the requirements of the Restructuring Support Agreement), is not confirmed, then the First Lien Facility Amendment and First Lien Notes Amendment will be rendered void *ab initio* and of no force and effect. As a result, the lenders could assert that the "make-whole" premiums arising under the First Lien Credit Agreement and First Lien Notes Indenture are due and payable, giving rise to approximately \$259 million in additional First Lien Indebtedness.

B. Risks Related to the Company's Businesses

(i) ***Weak General Economic Conditions, Including Particularly Low Hiring Rates, Have in the Past and May Again Decrease the Demand for the Company's Services***

The Debtors' revenue and operating results are subject to general economic conditions and depend on the demand for the Company's services, and, in the HireRight business, the rate at which employers are hiring. Deterioration of general economic conditions, particularly when resulting in a decreased hiring rate, may adversely impact demand for the Company's services and could have a material adverse impact on the Company's revenue and operating results.

The HireRight business is particularly sensitive to weak general economic conditions, as slowdowns in hiring by employers and decreases in employee attrition may have a materially negative impact on HireRight's revenue and income from operations. In addition, the Kroll business generates substantial revenue from mergers and acquisitions and capital markets activity. Weak general economic conditions could reduce the amount and complexity of these types of transactions, which may have a material adverse effect on Kroll's revenue and income from operations. In addition, weak economic conditions may cause clients to reduce their advisory services costs and also may cause key customers to do a greater percentage of process-oriented work themselves rather than hiring an outside provider. Weak general economic conditions may also limit the Company's ability to increase the rates charged for services to keep pace with increases in operating costs.

(ii) *A Significant Amount of Fixed Costs Could Impair Liquidity and Thereby Harm the Business, Results of Operations and Financial Condition*

The Debtors have a significant amount of fixed costs, including payment obligations relating to leased facilities. As of December 31, 2014, the Debtors had \$223.7 million of future operating lease obligations. The Company's ability to pay the fixed costs associated with these contractual obligations following consummation of the Plan will depend on operating performance and cash flow and ability to secure adequate financing, which will in turn depend on, among other things, the success of the Company's business strategy. The amount of these fixed obligations could have a material adverse effect on the business, results of operations and financial condition of the Company and could:

- require a substantial portion of cash flow from operations for operating lease and maintenance deposit payments, thereby reducing the availability of cash flow to fund working capital, capital expenditures and other general corporate purposes;
- limit the ability to obtain additional financing to support expansion plans and for working capital and other purposes on acceptable terms or at all;
- make it more difficult to pay other obligations as they become due during adverse general economic and market industry conditions because any related decrease in revenue could result in cash flows from operations that are not sufficient to make scheduled payments;
- reduce the flexibility in planning for, or reacting to, changes in business and industry and, consequently, place the Company at a competitive disadvantage to competitors with less fixed payment obligations; and
- cause the Company to lose access to equipment and forfeit rent deposits if the Debtors are unable to make required lease payments and lessors exercise their remedies under the lease agreements including cross default provisions in certain leases.

A failure to pay operating lease and other fixed cost obligations or a breach of contractual obligations could result in a variety of adverse consequences, including the exercise of remedies by creditors and lessors. In such a situation, it is unlikely that the Debtors would be able to cure the breach, fulfill their obligations, make required lease payments or otherwise cover fixed costs, which would have a material adverse effect on the business, results of operations and financial condition.

In addition, certain of the Debtors' lessors and vendors have the ability to require letters of credit to support obligations under the operating leases and other contracts. Given the recent history of operating losses, many of the Debtors' creditors have required support for these obligations with letters of credit. Any letters of credit that lessors require will decrease the amount available to borrowing after the consummation of the Plan under any new revolving credit facility of the Reorganized Debtors, which could materially adversely impact liquidity and have a material adverse effect on the business, results of operations and financial condition.

(iii) ***An Impairment of Goodwill or Other Intangible Assets Could Reduce Earnings***

If any of the Company's goodwill becomes impaired, the Company may be required to record a significant future charge to the Company's earnings. The Company's policy is to evaluate goodwill for potential impairment annually during its fourth fiscal quarter, or more frequently if events or circumstances occur indicating goodwill might be impaired. A significant amount of judgment is involved in determining if an indicator of impairment has occurred. Such indicators include a decline in expected cash flows, a significant adverse change in legal factors or in the business climate, unanticipated competition, or slower growth rates, among others.

(iv) ***Significant Increases in the Costs and Availability of Insurance or of Insurance Claims or Deductibles Could Negatively Impact Results of Operations and Financial Condition***

The Company currently maintains insurance policies to mitigate the potential risk of litigation and other liabilities in connection with the business. The Company has been able to obtain insurance in amounts they believe to be appropriate. Such insurance may not continue to be readily available to in the form or amounts the Company has been able to obtain in the past and insurance premiums could materially increase in the future as a result of conditions in the insurance industry or in the Company's industries or because of factual circumstances related to the business. In addition, certain insurers may determine that they will no longer provide insurance to the Company. If an insurer were to no longer provide the Company insurance, there can be no assurance that they will be able to find comparable insurance at a similar cost, or at all. If the Company is unable to obtain insurance at current levels or in the amounts they deem appropriate, litigation and other liabilities could have a material adverse effect on earnings.

(v) ***Inadequate Estimates of Costs of Engagements or Commercial Product Mix Changes May Result in Loss of Profits***

The Company performs a portion of its engagements on a fixed-price basis. Fixed-price contracts require the Company to price its contracts by predicting expenditures in advance. In addition, some of the Company's engagements obligate it to provide ongoing maintenance and other supporting or ancillary services on a fixed-price basis or with limitations on the Company's ability to increase prices. When making proposals for engagements on a fixed-price basis, the Company relies on its estimates of costs and timing for completing the projects. These estimates reflect the Company's best judgment regarding its capability to complete the task efficiently. Any increased or unexpected costs or unanticipated delays in connection with the performance of fixed-price contracts, including delays caused by factors outside the Company's control, could make these contracts less profitable or could result in losses on particular contracts. In addition, many of the Company's engagements are also on a time-and-materials basis. While these types of contracts are generally subject to less uncertainty than fixed-price contracts, to the extent that the Company's actual labor costs are higher than the contract rates, these contracts may be less profitable or unprofitable.

(vi) ***The Company Faces Intense Competition, Which Could Cause the Company to Lose Business, Lower Prices and Suffer Employee Departures***

The Company operates in highly competitive industries, and generally competes with a wide variety of competitors, including large, diversified service providers, and small businesses. Some of these companies possess greater financial resources and larger technical staffs, and others have smaller and more specialized staffs. These competitors could, among other things: (a) divert sales from the Company by winning contracts; (b) force the Company to charge lower prices in order to win or maintain contracts; (c) seek to hire the Company's employees; or (d) adversely affect the Company's relationships with current clients, including the ability to continue to win competitively awarded engagements where the Company is the incumbent.

If the Company loses business to competitors or is forced to lower prices or suffer employee departures, revenue and operating profits could decline.

(vii) ***Competition with Third-Party Providers on the Basis of Technological Features, Capabilities and Price of Products and Services and Could Result in the Loss of Existing Customers and the Failure to Attract New Business***

The markets for the Company's products and services are competitive, continually evolving and subject to technological change. Key competitive factors in these markets include the breadth and quality of system and software solution offerings, the stability of information systems, the features and capabilities of the product and service offerings, the pricing of products and services, and the potential for future product and service enhancements. The success of the Company depends upon the ability to keep pace with technological change and to introduce, on a timely and cost-effective basis, new and enhanced software solutions and services that satisfy changing client requirements. If the Company does not keep pace with technological changes or is not able to maintain price competitive products and services, it could result in the loss of existing customers and the failure to attract new business. The impact of not keeping pace with technological changes or maintaining competitive pricing could materially adversely affect results of operations.

(viii) ***System or Service Failures, Including as a Result of Cyber or Other Security Threats, Could Disrupt the Business and Impair the Ability to Effectively Provide Services to Clients***

The Company and its customers and suppliers create, implement, and maintain information technology systems, including the Company's data centers, and provide services that are often critical to clients' operations, some of which involve sensitive information and may be conducted in hazardous environments. As a result, the Company is subject to systems or service failures, not only from their own failures or the failures of customers or our suppliers, natural disasters, power shortages, or terrorist attacks, but also from continuous exposure to cyber and other security threats, including computer viruses, attacks by computer hackers or physical break-ins. There has been an increase in the frequency and sophistication of the cyber and security threats, with attacks by computer hackers, foreign governments, and cyber terrorists ranging from those common to businesses generally to those that are more advanced and persistent. The Company has been the target of these types of attacks in the past and future attacks are likely to occur. If successful, these types of attacks on networks or other systems or service failures could have a material adverse effect on the business and results of operations, due to, among other things, the loss of client or proprietary data, interruptions or delays in clients' businesses, and damage to reputation. In addition, the failure or disruption of systems, communications, or utilities could cause the Company to interrupt or suspend operations, which could have a material adverse effect on the business and results of operations.

If the Company's systems, services, or other applications have significant defects or errors, are successfully attacked by cyber and other security threats, suffer delivery delays, or otherwise fail to meet clients' expectations, the Company may:

- lose revenue due to adverse client reaction;
- be required to provide additional services to a client at no charge;
- incur additional costs related to monitoring and increasing cybersecurity;
- lose revenue due to the deployment of internal staff for remediation efforts instead of client assignments;
- receive negative publicity, which could damage the business's reputation and adversely affect the ability to attract or retain clients;
- be unable to successfully market services that are reliant on the creation and maintaining of secure information technology systems to international, and commercial clients;

- suffer claims for substantial damages, particularly as a result of any successful network or systems breach and exfiltration of client information; or
- incur significant costs complying with applicable federal or state law, including laws governing protection of personal information.

In addition to any costs resulting from contract performance or required corrective action, these failures may result in increased costs or loss of revenue if they result in clients postponing subsequently scheduled work or canceling or failing to renew contracts.

The Company's errors and omissions insurance coverage may not continue to be available on reasonable terms or in sufficient amounts to cover one or more large claims, or the insurer may disclaim coverage as to some types of future claims. The successful assertion of any large claim could seriously harm the business. Even if not successful, these claims could result in significant legal and other costs, may be a distraction to management, and may harm client relationships. In certain new business areas, the Company may not be able to obtain sufficient insurance and may decide not to accept or solicit business in these areas.

(ix) ***The Failure to Adequately Protect Confidential Information and Proprietary Rights May Harm Competitive Position; Increased Regulation Regarding the Use of Personal Information***

The success of the Company depends, in part, upon the ability to protect confidential information and the confidential information of clients. Although the Company's employees are subject to confidentiality obligations, this protection may be inadequate to deter misappropriation of confidential information. If the Company is unable to prevent employees from misappropriating or misusing confidential information, the competitive position of the businesses could be harmed.

The Company also faces significant security risks related to electronic transmission of confidential information. The Company relies on encryption and other technologies to provide system security to effect secure transmission of confidential or personal information. The Company licenses these technologies from third parties and there is no assurance that the use of applications designed for data security, or that of third-party contractors, will effectively counter evolving security risks. A security or privacy breach could expose the businesses to liability, increase expenses relating to resolution of these breaches, deter customers from using services and deter suppliers from doing business with the Company. Any inability to protect the security and privacy of electronic transactions could have a material adverse effect on the business, financial condition or results of operations.

(x) ***Enterprise Resource Planning and Financial Systems Limitations May Affect the Internal Control Over Financial Reporting***

The Company has multiple enterprise resource planning and financial systems in various stages of development requiring the Company to supplement developing automated procedures and controls with certain manual procedures and controls while the system and associated automated procedures are further enhanced and developed. These manual procedures and controls do not provide the same level of assurances as automated systematic controls and, as a result, may subject the Company to greater risk in internal controls over financial reporting and the preparation of financial statements.

(xi) ***If the Company Cannot Collect Receivables or if Payments are Delayed, the Company May Not Be Able to Generate Cash Flow, Provide Working Capital, or Continue Business Operations***

The Company depends on the timely collection of receivables to generate cash flow, provide working capital, and continue business operations. If clients fail to pay or delay the payment of invoices for any reason, the business and financial condition may be materially and adversely affected. A client may delay or fail to pay invoices for a number of reasons, including lack of funds or dissatisfaction with services.

(xii) *The Company Periodically Reviews Strategic Transactions, Including Divestitures of Significant Portions of the Business*

The Company periodically reviews strategic transactions, including potential divestitures of significant portions of the business, to determine if such transactions are in the Company's best interest, and, in the past, has completed such transactions, including the GS&S Sale and the KFD Sale. A divestiture of a material portion of the business could result in a decline of revenue and income. The Company may also incur significant costs and expenses in connection with any such divestiture, and the results of operations from other businesses may suffer as management's attention is focused on the divestiture process. Any decline in revenue resulting from such a divestiture could decrease cash flows, which would decrease the amount of cash available to pay interest and principal on indebtedness of the Debtors. In addition, the GS&S Sale and the KFD Sale and any future divestiture of a material portion of the business will result in the Company competing in fewer industries, and would therefore be subject to increased risk for cyclical downturns in the industries the businesses continue to compete in. Consequently, the sale of a material portion of the business could have a material adverse effect on the financial position and results of operations of the Company, and the financial projections provided with this Disclosure Statement may not reflect the future financial position, results of operations and cash flows of the Debtors as a result of such divestiture

(xiii) *Failure to Retain Senior Management Could Adversely Affect the Business*

The senior management of the Company is very important to the businesses because personal reputations and individual business relationships are a critical element of obtaining and maintaining customer engagements in the Company's industries. The Company relies heavily on senior management to provide services and for continued business development, and the competition for these personnel is intense. Uncertainty regarding the Chapter 11 Cases, the Company's financial position and, following emergence from Chapter 11, the Reorganized Debtors' continued high levels of indebtedness makes it more difficult and costly to retain senior management. The Company could be materially adversely affected if any number of senior managers were to leave and if the Company is unable to attract and retain qualified replacements.

(xiv) *Failure to Attract, Retain and Train Skilled and Qualified Employees Could Adversely Affect the Business*

The Company depends in large part upon the ability to attract and retain sufficient numbers of highly qualified individuals who possess specific expertise to serve clients and may have advanced degrees in areas such as law, finance and information technology. The Company competes for such qualified personnel with other commercial employers. The uncertainty regarding the Chapter 11 Cases, the Company's financial position and, following emergence from Chapter 11, the Reorganized Debtors' continued high levels of indebtedness makes it more difficult to attract and retain qualified personnel. If the Company is unable to recruit and retain a sufficient number of qualified employees, or fail to deploy such employees efficiently, the ability to maintain and grow the businesses and to effectively serve clients could be limited and future revenue and results of operations could be materially and adversely affected. To the extent that the Company is unable to make necessary permanent hires to appropriately serve clients, it could be required to engage larger numbers of contracted personnel, which could reduce profit margins.

The inability to attract sufficient numbers of qualified new hires, training and retention costs may place significant demands on resources. In addition, to the extent there is attrition in the employee ranks, the Company may realize only a limited or no return on such invested resources, and would have to expend additional resources to hire and train replacement employees. The loss of services of key personnel could also impair the ability to perform required services under or retain some contracts and to retain such contracts, as well as the ability to win new business.

(xv) ***If the Company Does Not Effectively Manage the Utilization of its Professionals, the Company's Financial Results Could Decline***

The failure to manage the utilization of professionals or maintain or increase the rates charged to clients for services, could result in adverse consequences, such as non- or lower-revenue-generating professionals, increased employee turn-over, fixed compensation expenses in periods of declining revenue, the inability to appropriately staff engagements, or special charges associated with reductions in staff or operations. A number of factors affect the utilization of professionals. Some of these factors cannot be predicted with certainty, including general economic and financial market conditions, the number, size and timing of client engagements, the level of demand for services, appropriate professional staffing levels in light of changing client demands, utilization of professionals across segments and geographic regions, acquisitions and staff vacations. In particular, the Company's Kroll Advisory business division requires effective management of the utilization of professionals in order to drive profitability. Factors that could negatively affect utilization in the Kroll Advisory business division include a weakening economy, fewer, smaller and less complex mergers and acquisitions activity, less capital markets activity and an inability of managing directors to generate and retain new business.

The Company may enter into contracts with clients on a fixed-fee basis. Failure to effectively manage professional hours and other aspects of fixed-fee contracts may result in the costs of providing such services exceeding the fees that are collected. Failure to successfully complete or reach milestones with respect to contingent fee or success fee assignments may also lead to less revenue or the costs of providing services under those types of arrangements exceeding the fees that are collected.

(xvi) ***Professional Reputation Is Critical to the Business***

Negative press reports regarding poor contract performance, employee misconduct, information security breaches, the Chapter 11 Cases or other aspects of the businesses could harm the Company's reputation with clients and materially adversely affect the results of operations and growth prospects. The Company depends on contracts with clients for revenue and, if the Company's reputation or relationships with clients were harmed, future revenue and growth prospects could be adversely affected. The Company also depends upon the businesses' reputation and the individual reputations of senior professionals to obtain new customer engagements, particularly in the professional services businesses, where a substantial number of new engagements are obtained from existing clients or through referrals from existing clients. Any factor that diminishes the businesses' reputation or the reputations of the senior professionals may make it more difficult for the Company to compete successfully for new engagements or to retain existing clients and therefore could materially adversely affect the Company.

(xvii) ***A Substantial Portion of Revenue Is Derived from International Operations, Which Are Subject to Foreign Government Regulatory and Operational Risks***

The Company derives a substantial portion of revenue from international operations. As a result, the businesses face risks inherent in conducting business internationally, such as:

- foreign currency exchange fluctuations;
- limited brand recognition in non-U.S. markets;
- legal and government regulatory requirements;
- difficulties and costs of staffing and managing international operations;
- language and cultural differences;
- potential nationalization of assets;
- difficulties in collecting accounts receivable and longer collection periods;

- failure to comply with the Foreign Corrupt Practices Act and anti-bribery laws of other jurisdictions;
- higher operating costs;
- increased cyber security risks and increased costs of data management;
- unpredictability of foreign courts;
- political and economic instability;
- changes to tax regimes;
- imposition of currency exchange controls; and
- potentially adverse tax consequences.

The Company cannot predict whether any such conditions or events might develop in the future or whether they might have a material effect on operations. Also, the subsidiary structure of the Company and its operations are in part based on certain assumptions about various foreign and domestic tax laws, currency exchange requirements and capital repatriation laws. There can be no assurance that taxing or other authorities will reach the same conclusions. If these assumptions are incorrect or if the relevant countries change or modify such laws or the current interpretation of such laws, the Company may suffer material adverse tax and financial consequences, including the reduction of cash flow available to meet required debt service and other obligations.

(xviii) Repatriation of Cash Held in Foreign Jurisdictions Could Result in Additional Tax Liabilities

As of December 31, 2014, the Company had approximately \$25,902,800 million of cash and cash equivalents on the balance sheet, approximately \$20,728,157 million of which were cash and cash equivalents held in foreign jurisdictions. Any repatriation of funds currently held in foreign jurisdictions may result in higher effective tax rates. As a result, the Company may not be able to repatriate cash and cash equivalents held in foreign jurisdictions without incurring additional tax liabilities, and cash and cash equivalents held in foreign jurisdictions may effectively be trapped in such foreign jurisdictions. In addition, there have been proposals to change U.S. tax laws that could significantly impact how U.S. multinational corporations are taxed on foreign earnings and, if enacted, could have a material adverse effect on the Company's tax expense and cash flow.

(xix) Global Networks and Other Business Commitments Require Employees to Travel to Potentially Dangerous Places, Which May Result in Injury, Illness or Other Negative Impacts to Key Employees

The Company provides certain services that require the dispatch of employees to various countries around the world. These countries may be experiencing political upheaval or unrest, and in some cases war or terrorism. Certain senior level employees or executives are, on occasion, part of the teams deployed to provide services in these countries. As a result, it is possible that certain employees or executives of the Company will suffer injury or bodily harm, or be killed or kidnapped in the course of these deployments. It is also possible that the Company will encounter unexpected costs in connection with the repatriation of employees or executives for reasons beyond the Company's control. These problems could cause actual results to differ materially and adversely from those anticipated.

(xx) *The Company Could Face Liability Based on the Nature of Services and the Content of Materials Provided, Which May Not Be Covered by Insurance*

The Company may face potential liability from individuals, government agencies or businesses for defamation, invasion of privacy, negligence, copyright, patent or trademark infringement and other claims based on the nature and content of the materials that appear or are used in products or services. Insurance may not be available to cover claims of these types or may not be adequate to cover the Company for all risks to which the businesses are exposed. Any imposition of liability, particularly liability that is not covered by insurance or is in excess of insurance coverage, could have a material adverse effect on its business, financial condition or results of operations.

(xxi) *Proceedings Against the Debtors in Domestic and Foreign Courts Could Result in Legal Costs and Adversely Affect the Company's Operating Performance*

At any given time, the Company is involved in various claims and lawsuits, including class action lawsuits, arising in the ordinary course of business. Lawsuits can be expensive and time consuming. Actions involving third-party liability claims generally are covered by insurance; however, in the event insurance coverage is inadequate or unavailable to cover such claims, the Company may be forced to bear the costs arising from a judgment. The Company does not have insurance coverage for breach of contract actions, and bears all costs associated with such litigation and claims. In addition, the businesses are currently subject to class action litigation, which, if resolved adversely, could have a significant material adverse impact on the business, financial condition and results of operations. *See* Section IX, entitled "Additional Disclosure Regarding Claims and Recoveries Under the Plan". As required by generally accepted accounting principles, the Company estimates material loss contingencies and establish reserves when it assesses that a liability is deemed probable and reasonably estimable based on the facts and circumstances known at a particular point in time, as adjusted by subsequent developments in a particular matter. Litigation outcomes are inherently unpredictable and excessive verdicts could occur. In the future, the Company could incur judgments or enter into settlements of claims that could have a material adverse effect on its financial position and results of operations.

The HireRight business is subject to the provisions of the federal Fair Credit Reporting Act and equivalent state laws. These laws regulate the collection, dissemination and use of consumer information, including consumer credit information. Any finding of a willful violation of the provisions of the federal Fair Credit Reporting Act or state equivalents can result in civil damages and statutory penalties, including, in certain cases, punitive damages. The HireRight business has a number of lawsuits pending or threatened which claim damages as a result of alleged violations of the Fair Credit Reporting Act. *See* Section IX, entitled "Additional Disclosure Regarding Claims and Recoveries Under the Plan". Some of these claims are class action lawsuits and could result in significant money damages if a court were to find that the Company had violated the provisions of the federal Fair Credit Reporting Act or a state equivalent. Although the Company intends to defend these matters vigorously and feels that the litigation reserves are adequate, there can be no guarantee that the results of current or future legal proceedings will not materially harm the business, reputation or brand or that the Company will not incur losses in connection with current or future legal proceedings that exceed any accounting provisions made in respect of such proceedings or that exceed any applicable insurance coverage.

(xxii) *Certain Liabilities May Not Be Covered by Indemnification*

Historically, the Company has managed certain risks by entering into indemnification agreements. In particular, the Company has sought indemnification when acquiring businesses from third parties. There can be no assurance that any liabilities that may be incurred will be covered by these indemnification agreements or that the amount of any such liabilities will not be in excess of the maximum amount indemnified by such third parties under these agreements. In addition, there can be no assurance that any particular third party will make any payments owed to the Company pursuant to indemnification obligations, including indemnification obligations in respect of certain litigation matters discussed elsewhere in this Disclosure Statement. *See* Article IX, entitled "Additional Disclosure Regarding Claims and Recoveries Under the Plan".

(xxiii) *Risk of Fee Non-Payment; Clients May Seek to Renegotiate Existing Fees and Contract Arrangements; Certain Commercial Clients May Not Accept Billable Rate or Price Increases*

From time to time the Company is engaged by certain clients who are experiencing or anticipate experiencing financial distress or are facing complex challenges that could result in financial liabilities. Such clients may not have sufficient funds to continue operations or to pay for services. The Company has received requests to discount fees or to negotiate lower rates for services and to agree to contract terms relative to the scope of services and other terms that may limit the size of an engagement or the ability to pass through costs. The businesses consider these requests on a case-by-case basis. In addition, clients and prospective clients may not accept rate increases that the Company puts into effect or plans to implement in the future. Fee discounts, pressure to not increase or even decrease our rates and less advantageous contract terms, could result in the loss of clients, lower revenue and operating income, higher costs and less profitable engagements. More discounts or write-offs than expected in any period would have a negative impact on results of operations. There is no assurance that significant client engagements will be renewed or replaced in a timely manner or if at all, or that a client engagement will generate the same volume of work or revenue, and be as profitable as past engagements. In addition, certain of the businesses have been experiencing more competitive downward fee pressures.

(xxiv) *Clients May Terminate Engagements With Little or No Notice and Without Penalty, Which May Result in Unexpected Declines in Utilization and Revenue*

Engagements in the Kroll business are largely based on transactions and other event-driven occurrences that require independent analysis or expert services. Transactions may be postponed or cancelled with little or no prior notice. If the backlog in the Kroll business cannot be managed, professionals may be underutilized until they can be reassigned or new engagements are obtained, which can adversely affect financial results. In addition, engagements in the businesses can typically be terminated by either party thereto with little or no notice. There can be no assurance that clients will not terminate their contracts. If a significant number of clients were to terminate their contracts, it could have a material adverse effect on the financial position and results of operations.

(xxv) *Substantial Indebtedness Could Adversely Affect Financial Results and the Ability to Obtain Financing in the Future, React to Changes in Business and Make Payments on Indebtedness*

The consummation of the Plan will result in less indebtedness and lower leverage, but the Company will still have a substantial amount of indebtedness, interest expense and principal repayment obligations. After the consummation of the Plan, the Debtors will have outstanding total indebtedness of at least \$1.1 billion of first lien debt consisting of the Term Loan and First Lien Notes, subject to the offers under the Plan to ratably repurchase \$110 million of First Lien Credit Agreement Claims. In addition, following the consummation the Plan, the Debtors will have up to \$90 million of New Second Lien Notes and a new senior secured revolving credit facility of up to \$60 million.

The Debtors believe that the Plan is feasible and, following the consummation of the Plan, the Debtors will be able to meet their anticipated future operating expenses, capital expenditures and debt service obligations. However, the substantial level of indebtedness and other financial obligations of the Debtors increase the possibility that the Company may be unable to generate cash sufficient to pay, when due, the principal of, interest on, or other amounts due, in respect of the indebtedness if economic, financial, competitive or regulatory factors negatively impact the business, or the business is negatively impacted by other factors that are outside the Company's control. The Company's substantial indebtedness could also have other significant consequences, including:

- increasing the Company's vulnerability to general adverse economic, competitive and industry conditions;
- limiting the Company's ability to obtain additional financing in the future for working capital, capital expenditures, debt service requirements, acquisitions, general corporate purposes or other purposes on satisfactory terms or at all;

- requiring a substantial portion of the cash flow from operations to be used for the payment of indebtedness, thereby reducing the funds available to for operations and any future business opportunities;
- exposing the business to the risk of increased interest rates as certain of its borrowings, including borrowings under the Term Loan, are at variable rates of interest;
- restricting strategic acquisitions or causing non-strategic divestitures;
- limiting planning flexibility for, or the Company's ability to react to, changes in the businesses and the industries in which the Company operates;
- limiting the ability to adjust to changing market conditions and react to competitive pressures and adverse changes in government regulation;
- limiting the ability, or increasing the costs, to refinance indebtedness;
- limiting the Company's ability to enter into marketing and hedging transactions by reducing the number of counterparties with whom the Company can enter into such transactions, as well as the volume of those transactions; and
- place the Company at a competitive disadvantage with competitors who may have less indebtedness and other obligations or greater access to financing.

If the Debtors fail to make any required payment under the agreements that govern the indebtedness or to comply with any of the operating covenants included therein, the Debtors will be in default. Lenders under such agreements could accelerate the maturity of the indebtedness, which may also trigger the payment of a "make-whole" premium, and foreclose upon the Company's assets securing such indebtedness. In addition, other creditors might then accelerate other indebtedness. If any creditors accelerate the maturity of their indebtedness, the Debtors may not have sufficient assets to satisfy obligations under the any of the indebtedness.

(xxvi) Results of Operations May Be Affected by the Seasonality of the Business

Historically, there has been a seasonal change in volumes in certain of the Company's businesses at certain times of the year. Most notably, in the HireRight business segment, the first two fiscal quarters have historically been impacted by seasonally low employment turnover and hiring, which results in lower demand in the employment screening business. Accordingly, there may be a decrease in HireRight's earnings in the first and second fiscal quarters as compared to the third and fourth fiscal quarters.

(xxvii) One of the Debtors Is Currently Under Investigation by the Federal Government in Connection with the Performance on a Former OPM Contract, and the Department of Justice Has Filed a Civil Complaint for Allegedly Violating the Federal False Claims Act

On January 11, 2012, the OIG issued a subpoena requesting documents from US Investigations Services, LLC and its affiliated entities relating to two Fieldwork Services Contracts with the OPM. US Investigations Services, LLC and its affiliated entities fully complied with the subpoena and are cooperating with the investigation. At this time, the Company cannot predict the outcome of the civil complaint filed by the Department of Justice, but the best estimate under the Company's accounting policies for the minimum amount of the loss related to this matter is \$18.0 million. Violations of the federal False Claims Act are punishable by treble damages, penalties of up to a specified dollar amount per false claim, possible debarment or suspension from contracting with the federal government, forfeiture of assets or other penalties. On July 12, 2013, counsel handling this matter for US Investigations Services, LLC was contacted by a representative of the federal government and informed that the U.S. Attorney's Office for the District of Columbia (the "USAODC") had decided to initiate a criminal review of this

matter. If the USAODC were to bring criminal charges against US Investigations Services, LLC, and those charges were to result in a conviction at trial, US Investigations Services, LLC could be subject to certain statutory penalties, some of which could result in liens on certain of assets of US Investigations Services, LLC. *See* Article IX, entitled “Additional Disclosure Regarding Claims and Recoveries Under the Plan”.

(xxviii) *The IRS May Disagree with Debtors’ Anticipated Characterization of the Restructuring Transactions*

As described below under Section XIV of this Disclosure Statement, entitled “Certain U.S. Federal Income Tax Consequences of the Plan”, the Debtors intend to structure the Restructuring Transactions as a deemed taxable sale of the Debtors’ assets to the Reorganized Debtors for U.S. federal income tax purposes. Although the Debtors expect to generate substantial taxable gain as a result of such sale, the Debtors expect that any gain will be fully offset by tax deductions or other losses available to the Debtors (including deductions or losses recognized in connection with the consummation of the Plan). Consequently, the Debtors do not expect to incur significant U.S. federal income tax liability as a result of the Restructuring Transactions contemplated by the Plan. However, the U.S. Internal Revenue Service (the “IRS”) may disagree with the Debtors’ anticipated characterization of the Restructuring Transactions for U.S. federal income tax purposes. If the IRS were to successfully challenge any such tax position, there may be adverse consequences to the Debtors or the Reorganized Debtors. For example, the Debtors may incur significant U.S. federal income tax liabilities as a result of the consummation of the Plan, and certain of the Reorganized Debtors or their subsidiaries may be liable for such tax liabilities. In addition, the Reorganized Debtors’ tax basis in their assets may be lower than anticipated, which may adversely affect future tax liabilities and cash flows of the Reorganized Debtors. Holders or beneficial owners of claims should consult their own tax advisors regarding the U.S. federal, state, local and non-U.S. tax consequences arising from the consummation of the Plan, including the receipt of New Common Stock, Cash, Warrants or other property pursuant to the Plan.

(xxix) *Potential Recovery of Equitable Adjustment Claims and Other Claims by USIS Against the Government*

On September 9, 2014, USIS was notified by OPM that OPM had decided not to exercise its remaining options on either the Fieldwork or Support Services contracts and, as a result, both contracts expired by their terms on September 30, 2014 (See Section V(A), “Events Leading to Commencement of the Chapter 11 Cases”). In accordance with instructions from OPM and applicable law, the Fieldwork and Support Services contracts were transitioned by USIS to other government contractors. The loss of the Fieldwork and Support Services contracts carried substantial collateral costs for USIS and the Company, including (i) transition all of work under the contracts to new service providers, as required under the terms of the contracts, OPM, and applicable law, (ii) shifting focus from improving the performance of ISD to winding it down and (iii) substantial time preparing detailed submissions to OPM to recover remediation and transition of services costs to which USIS is entitled under the OPM contracts.

The Company is currently pursuing claims for equitable adjustment for these costs and other potential recovery against OPM and the United States, but there can be no guarantee what amounts, if any, the Company is ultimately able to recover or when that recovery may be realized.

C. Risks Associated with Financial Information and Projections

(i) *The Financial Projections are Based on Assumptions and Estimates*

Exhibit E to this Disclosure Statement contains projections concerning the financial results of the Company’s operations, including financial projections, that are, by their nature, forward looking, and are necessarily based on certain assumptions and estimates regarding the anticipated future performance of the Reorganized Debtors, including, their ability to maintain or increase revenue and gross margins, control future operating expenses or make necessary capital, as well as assumptions concerning general business and economic conditions, including the seasonality of the Company’s businesses and overall industry performance and trends, which the Company is unable to control. Should any or all of these assumptions or estimates ultimately prove to be incorrect or not materialize, the actual future results of the Reorganized Debtors may turn out to be different from the financial projections, and these variances may be material and adverse.

The Company believes that the financial projections contained in this Disclosure Statement are reasonable, but there can be no assurance that they will be realized. There can be no assurances that the Company's business plan in the future will not change in material respects as a result of decisions by management after evaluating the strategic direction of the Company, the business plan, and business and economic conditions.

(ii) *The Financial Information Contained in this Disclosure Statement Has Not Been Audited*

The financial information and projections provided with this Disclosure Statement has not been reviewed or audited by the Company's independent accountants. In preparing the financial information and projections provided with this Disclosure Statement, the Debtors relied on financial data derived from their books and records that was available at the time of such preparation. The Debtors have used their reasonable business judgment to ensure the accuracy of the financial information and projections provided with this Disclosure Statement. The Debtors believe that such financial information fairly reflects the financial condition of the Company, but the Debtors cannot represent or warrant that the financial information and projections provided with this Disclosure Statement are without inaccuracies.

(iii) *Historical Financial Information of the Debtors May Not Be Comparable to the Financial Information of the Reorganized Debtors*

As a result of the consummation of the Plan and the transactions contemplated thereby, the Company believes it will be subject to the fresh-start accounting rules. Fresh-start accounting allows for the assessment of every balance sheet account for possible fair value adjustment, resulting in the emergence of a new company capitalized and revalued. The fresh-start accounting process is guided by purchase price allocation standards under GAAP.

D. Risks Relating to Recoveries under the Plan

(i) *The Recovery to Holders of Allowed Claims and Interests Cannot Be Stated With Absolute Certainty*

The financial projections provided with this Disclosure Statement should not be considered assurances or guarantees of the amount of funds or the amount of Claims that may be Allowed in the various Classes. While the Debtors believe that the financial projections contained in this Disclosure Statement are reasonable, there can be no assurance that they will be realized. Also, because the Liquidation Analysis, distribution projections and other information contained herein and attached hereto are estimates only, the timing and amount of actual distributions to holders of Allowed Claims and Interests, if applicable, may be affected by many factors that cannot be predicted.

The Claims estimates set forth herein are based on various assumptions. The actual amounts of Allowed Claims may differ significantly from those estimates should one or more underlying assumptions prove to be incorrect. Such differences may adversely affect the percentage recovery to holders of Allowed Claims and Interests, if applicable, under the Plan. Moreover, the estimated recoveries set forth herein are necessarily based on numerous assumptions, the realization of many of which are beyond the Debtors' control, including (a) the successful reorganization of the Debtors, (b) an assumed date for the occurrence of the Effective Date, (c) the Debtors' ability to achieve the operating and financial results included in the financial projections, (d) the Debtors' ability to maintain adequate liquidity to fund operations and (e) the assumption that capital and equity markets remain consistent with current conditions. The actual amounts of Allowed Claims may differ significantly from those estimates should one or more underlying assumption prove to be incorrect, which could affect the percentage recovery to holders of Allowed Claims and Interests, if applicable, under the Plan, in some instances adversely.

(ii) *The Value of New Common Stock or the Warrants Cannot Be Stated With Absolute Certainty*

On the Effective Date, the Plan contemplates that New Common Stock will be issued to holders of Claims and Interests in Classes A4 and A5 and Warrants will be issued to holders of Claims and Interests in Class A7.

Based on a number of factors, including those described herein, the value of the New Common Stock or the Warrants cannot be stated with absolute certainty.

E. Disclosure Statement Disclaimer

(i) *No Representations Made Outside this Disclosure Statement Are Authorized*

The information contained in this Disclosure Statement is for purposes of soliciting acceptances of the Plan and may not be relied upon for any other purposes. Except as otherwise provided herein or in the Plan, no representations relating to the Debtors, the Chapter 11 Cases or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code. Any representations or inducements made to secure your acceptance or rejection of the Plan that are other than as contained in, or included with, this Disclosure Statement, should not be relied upon by you in arriving at your decision. You should promptly report unauthorized representations or inducements to the counsel to the Debtors, the counsel to the Creditors' Committee, the counsel to the Equity Committee and the U.S. Trustee.

(ii) *The Debtors Relied on Certain Exemptions from Registration Under the Securities Act*

This Disclosure Statement has not been filed with the Commission or any state regulatory authority. Neither the Commission nor any state regulatory authority has passed upon the accuracy or adequacy of this Disclosure Statement, or the exhibits or the statements contained herein, and any representation to the contrary is unlawful. This Disclosure Statement has been prepared pursuant to section 1125 of the Bankruptcy Code and Rule 3016(b) of the Federal Rules of Bankruptcy Procedure and is not necessarily in accordance with the requirements of federal or state securities laws or other similar laws.

The offer of New Common Stock under the Plan has not been registered under the Securities Act or similar state securities or "blue sky" laws. To the maximum extent permitted by section 1145 of the Bankruptcy Code, the Securities Act and other applicable nonbankruptcy law, the issuance of the New Common Stock will be exempt from registration under the Securities Act by virtue of section 1145 of the Bankruptcy Code, Rule 701 promulgated under the Securities Act or a "no sale" under the Securities Act as described herein.

(iii) *The Information Herein Was Provided by the Debtors and Relied Upon by the Advisors*

Counsel to, and other advisors retained by, the Debtors have relied upon information provided by the Debtors in connection with the preparation of this Disclosure Statement. Although counsel to and other advisors retained by the Debtors have performed certain limited due diligence in connection with the preparation of this Disclosure Statement, they have not verified independently the information contained herein.

The statements contained in this Disclosure Statement are made by the Debtors as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has not been a change in the information set forth herein since that date. While the Debtors have used their reasonable business judgment to ensure the accuracy of all of the information provided in this Disclosure Statement and in the Plan, the Debtors nonetheless cannot, and do not, confirm the current accuracy of all statements appearing in this Disclosure Statement. Further, although the Debtors may subsequently update the information in this Disclosure Statement, the Debtors have no affirmative duty to do so unless ordered to do so by the Bankruptcy Court.

The financial information contained in this Disclosure Statement has not been audited. In preparing this Disclosure Statement, the Debtors relied on financial data derived from their books and records that was available at the time of such preparation. Although the Debtors have used their reasonable business judgment to ensure the accuracy of the financial information provided in this Disclosure Statement, and while the Debtors believe that such financial information fairly reflects the financial condition of the Debtors, the Debtors are unable to warrant or represent that the financial information contained herein and attached hereto is without inaccuracies.

(iv) ***No Legal or Tax Advice Is Provided to You by This Disclosure Statement***

This Disclosure Statement is not legal advice to you. The contents of this Disclosure Statement should not be construed as legal, business or tax advice. Each holder of a Claim or an Interest should consult his or her own legal counsel and accountant with regard to any legal, tax and other matters concerning his or her Claim or Interest. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to Confirmation.

(v) ***No Admissions Are Made by This Disclosure Statement***

The information and statements contained in this Disclosure Statement will neither constitute an admission of any fact or liability by any Entity (including the Debtors) nor be deemed evidence of the tax or other legal effects of the Plan on the Debtors, the Reorganized Debtors, holders of Allowed Claims or Interest or any other parties in interest. The vote by a holder of an Allowed Claim or Interest for or against the Plan does not constitute a waiver or release of any Claims or rights of the Debtors or the Reorganized Debtors (or any party in interest, as the case may be) to object to that holder's Allowed Claim or Interest, or recover any preferential, fraudulent or other voidable transfer or assets, regardless of whether any Claims or Causes of Action of the Debtors or their respective Estates are specifically or generally identified herein.

In addition, no reliance should be placed on the fact that a particular litigation Claim or projected objection to a particular Claim or Interest is, or is not, identified in this Disclosure Statement. The Debtors, the Creditors' Committee or the Reorganized Debtors may seek to investigate, file and/or prosecute objections to Claims or Interests and may object to Claims or Interests after the Confirmation or Effective Date irrespective of whether this Disclosure Statement or the Plan Supplement (which is incorporated herein by reference) identifies such Claims or Interests or objections to such Claims or Interests or objections thereto.

XIII.
IMPORTANT SECURITIES LAW DISCLOSURE

Under the Plan, shares of New Common Stock will be distributed to holders of Claims in Classes A4 and A5.

The Debtors will rely on section 1145 of the Bankruptcy Code to exempt from the registration requirements of the Securities Act the offer and distribution of the New Common Stock and Warrants contemplated by Section 5.4 of the Plan. Section 1145(a)(1) of the Bankruptcy Code exempts the offer and sale of securities under a plan of reorganization from registration under Section 5 of the Securities Act and state laws when such securities are to be exchanged for claims or principally in exchange for claims and partly for cash. In general, securities issued under section 1145 may be resold without registration unless the recipient is an "underwriter" with respect to those securities. Section 1145(b)(1) of the Bankruptcy Code defines an "underwriter" as any person who:

- purchases a claim against, an interest in, or a claim for an administrative expense against the debtor, if that purchase is with a view to distributing any security received in exchange for such a claim or interest;
- offers to sell securities offered under a plan of reorganization for the holders of those securities;
- offers to buy those securities from the holders of the securities, if the offer to buy is (i) with a view to distributing those securities; and (ii) under an agreement made in connection with the plan of reorganization, the completion of the plan of reorganization, or with the offer or sale of securities under the plan of reorganization; or
- is an issuer with respect to the securities, as the term "issuer" is defined in Section 2(a)(11) of the Securities Act.

To the extent that persons who receive New Common Stock are deemed to be “underwriters,” resales by those persons would not be exempted from registration under the Securities Act or other applicable law by section 1145 of the Bankruptcy Code. Those persons would, however, be permitted to sell New Common Stock or other securities without registration if they are able to comply with the provisions of Rule 144 under the Securities Act.

You should confer with your own legal advisors to help determine whether or not you are an “underwriter.”

Additionally, except to the extent provided herein, the issuance of the New Common Stock and Warrants distributed pursuant to the Plan to holders of Claims shall be authorized under section 1145 of the Bankruptcy Code as of the Effective Date without further act or action by any person, unless required by provision of applicable law, regulation, order or rule.

XIV.

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A. Introduction

The following is a discussion of certain U.S. federal income tax consequences arising from the consummation of the Plan to the Debtors and certain U.S. Holders and Non-U.S. Holders (each as defined below) of Allowed Claims that are entitled to vote on the Plan. This discussion is not a complete analysis of all potential U.S. federal income tax consequences arising from the consummation of the Plan and does not address any U.S. state or local or non-U.S. tax consequences or any U.S. federal tax consequences other than income tax consequences. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the “Code”), U.S. Treasury Regulations promulgated or proposed thereunder and administrative and judicial interpretations thereof, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect, or to different interpretation. No ruling has been or will be sought from the Internal Revenue Service (the “IRS”) with respect to any of the U.S. federal income tax consequences discussed below, and no assurance can be given that the IRS will not take a position contrary to any discussion below or that any such contrary position would not be sustained by a court.

This discussion does not address all of the U.S. federal income tax consequences that may be relevant to specific Holders (as defined below) in light of their particular circumstances or to Holders subject to special treatment under U.S. federal income tax law (such as banks, insurance companies, dealers in securities or other Holders that generally mark their securities to market for U.S. federal income tax purposes, tax-exempt entities, retirement plans, regulated investment companies, real estate investment trusts, certain former citizens or residents of the United States, Holders that hold their Claims as part of a straddle, hedge, conversion or other integrated transaction or Holders that have a “functional currency” other than the U.S. dollar).

As used in this discussion, the term “U.S. Holder” means a beneficial owner of a Claim, which beneficial owner for U.S. federal income tax purposes is (i) an individual who is a citizen or resident of the United States, (ii) a corporation created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax regardless of its source or (iv) a trust (x) with respect to which a court within the United States is able to exercise primary supervision over its administration and one or more United States persons have the authority to control all of its substantial decisions or (y) that has in effect a valid election under applicable U.S. Treasury Regulations to be treated as a United States person. As used in this discussion, a “Non-U.S. Holder” means a beneficial owner of a Claim that is neither a U.S. Holder nor a partnership for U.S. federal income tax purposes and the term “Holder” means a U.S. Holder or a Non-U.S. Holder.

If an entity treated as a partnership for U.S. federal income tax purposes holds a Claim, the U.S. federal income tax consequences arising from the consummation of the Plan will depend in part upon the status and activities of such entity and the particular partner. Any such entity should consult its own tax advisor regarding the U.S. federal income tax consequences arising from the consummation of the Plan applicable to it and its partners.

The U.S. federal income tax consequences of the implementation of the Plan to the Debtors and Holders of Allowed Claims will depend on, among other things, whether the Restructuring Transactions are structured as a

taxable sale of the Debtors' assets (such a structure, a "**Taxable Transaction**"). As described below, the Debtors currently anticipate that the Restructuring Transactions will constitute a Taxable Transaction, and the remainder of this discussion assumes this will be the case. However, the IRS may disagree with the Debtor's anticipated characterization of the Restructuring Transactions for U.S. federal income tax purposes, in which case the tax consequences to the Debtors and Holders of Allowed Claims may differ materially from the tax consequences described below.

The following summary is for information purposes only and is not a substitute for careful tax planning and advice based on the particular circumstances of each Holder of a Claim. Each Holder of a Claim is urged to consult its own tax advisors as to the U.S. federal income tax consequences, as well as other tax consequences, including under any applicable state, local and foreign law, of the consummation of the Plan to such Holder or the Debtors.

B. Certain U.S. Federal Income Tax Consequences to the Debtors and the Reorganized Debtors

(i) Tax Consequences of the Restructuring Transactions

Pursuant to the Plan, prior to emergence, representatives of the Holders of the Reorganizing Debtors Secured Second Lien Notes Claims and Reorganizing Debtors Secured Third Lien Notes Claims intend to form a new holding company ("**New Altegrity**"). New Altegrity will in turn form a second holding company ("**New Altegrity Holdco 2**") to which New Altegrity will contribute its common shares (the "**New Common Stock**") in exchange for the common shares of New Altegrity Holdco 2. New Altegrity Holdco 2 will then form a third holding company ("**New Altegrity Holdco 3**", and together with New Altegrity and New Altegrity Holdco 2, the "**New Altegrity Holdcos**"), to which New Altegrity Holdco 2 will contribute the New Common Stock. It is intended that each of New Altegrity, New Altegrity Holdco 2 and New Altegrity Holdco 3 will be classified as corporations for U.S. federal income tax purposes.

Pursuant to the Plan, prior to emergence, the Debtors intend to convert certain U.S. corporate subsidiaries of which Altegrity is the common direct or indirect parent into limited liability companies. Such conversions will occur in sequence, beginning with the lowest-tier direct and indirect subsidiaries of Altegrity that are being converted (such conversions, the "**AI Subsidiary Conversions**", and such converted subsidiaries, the "**AI Converted Subsidiaries**"). However, for tax or other reasons, it is possible that certain direct or indirect corporate subsidiaries of Altegrity may not be converted into limited liability companies (such unconverted subsidiaries, the "**AI Unconverted Subsidiaries**") and will remain organized as corporations.

Pursuant to the Plan, upon completion of the AI Subsidiary Conversions and prior to emergence, the Debtors intend to convert Altegrity into a limited liability company (the "**AI Conversion**", and Altegrity after such conversion, "**Altegrity, LLC**"). After the AI Conversion, the Debtors intend to convert Altegrity Acquisition Corp. into a limited liability corporation (the "**AAC Conversion**", and Altegrity Acquisition Corp. after such conversion, "**Altegrity Acquisition, LLC**").

Upon emergence from bankruptcy, Altegrity Holding Corp. will transfer 100% of the membership interests in Altegrity Acquisition, LLC to New Altegrity Holdco 3 in exchange for the New Common Stock. Substantially contemporaneously with such transfer, Altegrity Holding Corp. will transfer the New Common Stock to the Holders of the Reorganizing Debtors Secured Second Lien Notes Claims and Reorganizing Debtors Secured Third Lien Notes Claims in satisfaction of such Claims.

For U.S. federal income tax purposes, the Debtors intend to treat the AI Subsidiary Conversions as tax-free liquidations of the AI Converted Subsidiaries. Assuming that an AI Subsidiary Conversion does qualify as a tax-free liquidation, the relevant AI Converted Subsidiary should not recognize taxable gain or loss for U.S. federal income tax purposes, and Altegrity's tax basis in the assets of such AI Converted Subsidiary should equal the tax basis of such assets immediately prior to such AI Subsidiary Conversion.

For U.S. federal income tax purposes, the Debtors intend to treat the AI Conversion as a deemed sale by Altegrity of its assets (including the assets it was deemed to receive in connection with the AI Subsidiary Conversions) at fair market value to Altegrity Acquisition Corp., followed by a liquidation of Altegrity into Altegrity Acquisition Corp. Because the fair market value of Altegrity's assets significantly exceeds Altegrity's tax

basis in such assets, the Debtors expect to generate substantial taxable income or gain as a consequence of such deemed sale. The Debtors expect that Altegrity Acquisition Corp. will take a tax basis in Altegrity's assets equal to the fair market value of such assets at the time of the deemed sale. The Debtors also expect that Altegrity Acquisition Corp. will be able to claim a worthless stock deduction in respect of the shares of Altegrity, which deduction, together with the Debtors' existing tax attributes (including net operating losses ("NOLs") and other losses), is expected to fully offset any income or gain arising from the AI Conversion, although some alternative minimum tax may be due to the extent the Debtors use NOLs to offset income or gain arising from the AI Conversion. The Debtors therefore do not expect to incur significant U.S. federal income tax liability as a result of the AI Conversion. In addition, although it is possible that the AAC Conversion will also be treated for U.S. federal income tax purposes as resulting in the deemed taxable sale of Altegrity Acquisition Corp.'s assets (which principally consist of the assets it was deemed to receive in connection with the AI Conversion) at fair market value to Altegrity Holding Corp., the Debtors do not expect to incur significant U.S. federal income tax liability as a result of the AAC Conversion because the Debtors expect Altegrity Acquisition Corp. to have a fair market value basis in such assets as a consequence of their deemed purchase by Altegrity Acquisition Corp. in connection with the AI Conversion.

For U.S. federal income tax purposes, the Debtors intend to treat Altegrity Holding Corp.'s transfer of 100% of the membership interests in Altegrity Acquisition, LLC to New Altegrity Holdco 3 as a deemed sale of all the assets of Altegrity Acquisition, LLC, including all of the assets of Altegrity, LLC and the AI Converted Subsidiaries. Because Altegrity Acquisition, LLC is expected to have a tax basis in such assets equal to their fair market value at the time of such sale, the Debtors do not expect to recognize significant taxable income or gain as a consequence of such sale. New Altegrity Holdco 3 generally will take a fair market value basis in the assets acquired as a result of such sale. However, to the extent the sale involves the stock of an AI Unconverted Subsidiary, the AI Unconverted Subsidiary whose stock is transferred would retain its existing tax basis in its assets (unless the seller of such stock and the Reorganized Debtors make an election under Section 338(h)(10) of the Code to treat the transaction as a taxable sale of the underlying assets, which is not intended at this time).

There can be no assurance that the IRS will agree with any tax position taken by the Debtors with respect to the Restructuring Transactions or otherwise in connection with the Plan. If the IRS were to successfully challenge any such tax position, there may be adverse consequences to the Debtors or the Reorganized Debtors. For example, the Debtors may incur significant tax liabilities as a result of the consummation of the Plan and Altegrity Acquisition, LLC, Altegrity, LLC, and some or all of the AI Converted Subsidiaries and AI Unconverted Subsidiaries may be liable for such tax. In addition, the Reorganized Debtors' tax basis in their assets may be lower than is currently anticipated, which may adversely affect future tax liabilities and cash flows of the Reorganized Debtors.

(ii) Cancellation of Debt and Reduction of Tax Attributes

In general, absent an exception, a debtor will realize and recognize cancellation of debt income ("**COD Income**") upon satisfaction of its outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the adjusted issue price of the indebtedness satisfied, over (b) the sum of (x) the amount of Cash paid, and (y) the fair market value of any other consideration (including stock of the debtor) given in satisfaction of such indebtedness at the time of the exchange.

A debtor will not, however, be required to include any amount of COD Income in gross income if the debtor is under the jurisdiction of a court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to a plan approved by the court in that proceeding. Instead, as a consequence of such exclusion, a debtor must reduce its tax attributes by the amount of COD Income that it excluded from gross income under Section 108 of the Code. In general, tax attributes will be reduced in the following order: (a) NOLs; (b) most tax credits and capital loss carryovers; (c) tax basis in assets; and (d) foreign tax credits. A debtor with COD Income may elect first to reduce the basis of its depreciable assets under Section 108(b)(5) of the Code. The reduction in tax attributes occurs only after the tax for the year of the debt discharge has been determined. Any excess COD Income over the amount of available tax attributes is not subject to United States federal income tax.

As a result of the discharge of Claims pursuant to the Plan, the Debtors will recognize substantial COD Income. The extent of such COD Income and resulting attribute reduction will depend principally on the fair

market value of the New Common Stock, the Warrants and any other property distributed in discharge of Claims. This value cannot be known with certainty until after the Effective Date. Thus, although it is expected that a reduction in the Debtors' tax attributes will be required, the exact amount of such reduction cannot be predicted at this time. In any event, however, the Debtors do not expect to have NOL carryovers or other tax attributes after the attribute reduction required under the Code. In addition, assuming that the Restructuring Transactions qualify as a Taxable Transaction, it is not expected that the Reorganized Debtors (other than potentially any AI Unconverted Subsidiary that recognizes COD Income pursuant to the Plan) would be required to reduce their tax attributes or tax basis under the Code.

C. Certain U.S. Federal Income Tax Consequences of the Plan to Holders of Allowed Claims

(i) Consequences of the Plan to U.S. Holders of Claims

a. U.S. Holders of Allowed Second Lien Notes Claims and Allowed Third Lien Notes Claims

Pursuant to the Plan, each Holder of an Allowed Second Lien Notes Claim or an Allowed Third Lien Notes Claim will receive, respectively, such Holder's Pro Rata share of the Second Lien Distribution and Third Lien Distribution (consisting of New Common Stock), collateral and distributions from the Liquidating Debtors Unsecured Claims Distribution Pool in respect of such Claim. Because the Debtors expect that (i) the restructuring transactions will be effected as a Taxable Transaction and (ii) the New Common Stock will not be treated as issued by Altegrity (or its successor for U.S. federal income tax purposes), each U.S. Holder of an Allowed Second Lien Notes Claim or an Allowed Third Lien Notes Claim generally will not be able to treat any part of the exchange of such Claim pursuant to the Plan as a recapitalization, and therefore generally will not be able to treat any part of such exchange as a tax-free reorganization. Instead, each U.S. Holder of an Allowed Second Lien Notes Claim or an Allowed Third Lien Notes Claim will be treated as exchanging such Claim for New Common Stock, collateral and an interest with respect to the Liquidating Debtors Unsecured Claims Distribution Pool (such interest, a "**Claims Pool Interest**") in a taxable exchange under Section 1001 of the Code. Accordingly, each U.S. Holder of an Allowed Second Lien Notes Claim or an Allowed Third Lien Notes Claim should recognize gain or loss equal to the difference between (1) the fair market value of the New Common Stock, collateral and the Claims Pool Interest, in each case determined as of the date received by such U.S. Holder in exchange for such Claim and (2) such U.S. Holder's adjusted basis, if any, in such Claim. A U.S. Holder's adjusted tax basis in an Allowed Second Lien Notes Claim or an Allowed Third Lien Notes Claim is generally (i) the amount such U.S. Holder paid for such Claim, (ii) increased by the amount of any original issue discount ("**OID**") or market discount previously included in income (including in the year of exchange pursuant to the Plan) with respect to such Claim by such U.S. Holder and (iii) decreased by the aggregate amount of payments (other than stated interest) with respect to such Claim previously made to such U.S. Holder and any bond premium with respect to such Claim that has been used by such U.S. Holder to offset interest income with respect to such Claim. Such gain or loss should be capital in nature so long as the Allowed Second Lien Notes Claim or Allowed Third Lien Notes Claim is held as a capital asset (subject to the "market discount" rules described in Section XIV.C(i)(f) below) and should be long-term capital gain or loss if the U.S. Holder has a holding period for such Claim of more than one year. To the extent that a portion of any New Common Stock, collateral or the Claims Pool Interest received in exchange for an Allowed Second Lien Notes Claim or an Allowed Third Lien Notes Claim is allocable to accrued but untaxed interest, the U.S. Holder of such Claim may recognize ordinary income as described in Section XIV.C(i)(e) below. A U.S. Holder's tax basis in any New Common Stock, collateral or any other non-Cash property received in exchange for such U.S. Holder's Allowed Second Lien Notes Claim or Allowed Third Lien Notes Claim should equal the fair market value of such New Common Stock, collateral or other non-Cash property as of the date such New Common Stock, collateral or other non-Cash property are received by the U.S. Holder. A U.S. Holder's holding period for any New Common Stock, collateral or other non-Cash property received in exchange for a Claim should begin on the day following the Effective Date.

b. U.S. Holders of Allowed General Unsecured Claims, Allowed 2015 Senior Notes Claims and Allowed 2016 Senior Subordinated Notes Claims

Pursuant to the Plan, each Holder of an Allowed General Unsecured Claim, Allowed 2015 Senior Notes Claim or an Allowed 2016 Senior Subordinated Notes Claim will receive such Holder's Pro Rata share of

Warrants and distributions from the Liquidating Debtors Unsecured Claims Distribution Pool in respect of such Claim. Because the Debtors expect that (i) the restructuring transactions will be effected as a Taxable Transaction and (ii) the Warrants will not be treated as issued by Altegrity (or its successor for U.S. federal income tax purposes), each U.S. Holder of an Allowed General Unsecured Claim, Allowed 2015 Senior Notes Claim or an Allowed 2016 Senior Subordinated Notes Claim generally will not be able to treat any part of the exchange of such Claim pursuant to the Plan as a recapitalization, and therefore generally will not be able to treat any part of such exchange as a tax-free reorganization. Instead, each U.S. Holder of an Allowed General Unsecured Claim, Allowed 2015 Senior Notes Claim or an Allowed 2016 Senior Subordinated Notes Claim will be treated as exchanging such Claim for Warrants and a Claims Pool Interest in a taxable exchange under Section 1001 of the Code. Accordingly, each U.S. Holder of an Allowed General Unsecured Claim, Allowed 2015 Senior Notes Claim or an Allowed 2016 Senior Subordinated Notes Claim should recognize gain or loss equal to the difference between (1) the fair market value of the Warrants and the Claims Pool Interest, in each case determined as of the date received by such U.S. Holder in exchange for such Claim and (2) such U.S. Holder's adjusted basis, if any, in such Claim. A U.S. Holder's adjusted tax basis in an Allowed General Unsecured Claim, Allowed 2015 Senior Notes Claim or an Allowed 2016 Senior Subordinated Notes Claim is generally (i) the amount such U.S. Holder paid for such Claim, (ii) increased by the amount of any OID or market discount previously included in income (including in the year of exchange pursuant to the Plan) with respect to such Claim by such U.S. Holder and (iii) decreased by the aggregate amount of payments (other than stated interest) with respect to such Claim previously made to such U.S. Holder and any bond premium with respect to such Claim that has been used by such U.S. Holder to offset interest income with respect to such Claim. Such gain or loss should be capital in nature so long as the Allowed General Unsecured Claim, Allowed 2015 Senior Notes Claim or Allowed 2016 Senior Subordinated Notes Claim is held as a capital asset (subject to the "market discount" rules described in Section XIV.C(i)(f) below) and should be long-term capital gain or loss if the U.S. Holder has a holding period for such Claim of more than one year. To the extent that a portion of the Warrants or the Claims Pool Interest received in exchange for an Allowed General Unsecured Claim, Allowed 2015 Senior Notes Claim or an Allowed 2016 Senior Subordinated Notes Claim is allocable to accrued but untaxed interest, the U.S. Holder of such Claim may recognize ordinary income as described in Section XIV.C(i)(e) below. A U.S. Holder's tax basis in Warrants or any other non-Cash property received in exchange for such U.S. Holder's Allowed General Unsecured Claim, Allowed 2015 Senior Notes Claim or Allowed 2016 Senior Subordinated Notes Claim should equal the fair market value of such Warrants or other non-Cash property as of the date such Warrants or other non-Cash property are received by the U.S. Holder. A U.S. Holder's holding period for Warrants or other non-Cash property received in exchange for a Claim should begin on the day following the Effective Date. Each U.S. Holder of an Allowed General Unsecured Claim, Allowed 2015 Senior Notes Claim or an Allowed 2016 Senior Subordinated Notes Claim should read Section XIV.C(i)(d) below regarding the consequences of holding, exercising and disposing of any Warrants received pursuant to the Plan.

c. U.S. Holders of Allowed Liquidating Debtors Other Priority Claims

Pursuant to the Plan, each Holder of an Allowed Liquidating Debtors Other Priority Claim will receive such Holder's Pro Rata share of distributions from the Liquidating Debtors Unsecured Claims Distribution Pool in respect of such Claim. A U.S. Holder of an Allowed Liquidating Debtors Other Priority Claim will be treated as exchanging such Claim for a Claims Pool Interest in a taxable exchange under Section 1001 of the Code. Accordingly, each U.S. Holder of an Allowed Liquidating Debtors Other Priority Claim should recognize gain or loss equal to the difference between (1) the fair market value of the Claims Pool Interest determined as of the date such interest is received by such U.S. Holder in exchange for such Claim and (2) such U.S. Holder's adjusted basis, if any, in such Claim. Such gain or loss should be capital in nature so long as such Allowed Liquidating Debtors Other Priority Claim is held as a capital asset and should be long-term capital gain or loss if the U.S. Holder has a holding period for such Claim of more than one year. To the extent that a portion of the Claims Pool Interest received in exchange for an Allowed Liquidating Debtors Other Priority Claim is allocable to accrued but untaxed interest, the U.S. Holder of such Claim may recognize ordinary income as described in Section XIV.C(i)(e) below. A U.S. Holder's tax basis in any non-Cash property received in exchange for such U.S. Holder's Allowed Liquidating Debtors Other Priority Claim should equal the fair market value of such non-Cash property as of the date such non-Cash property is received by the U.S. Holder. A U.S. Holder's holding period for any non-Cash property received in exchange for a Claim should begin on the day following the Effective Date.

d. Consequences of Holding, Exercising and Disposing of Warrants received pursuant to the Plan

Exercise of Warrants. A U.S. Holder should not recognize any gain or loss upon the exercise of a Warrant. A U.S. Holder's initial tax basis in each share of New Common Stock acquired upon exercise of a Warrant should equal the sum of (i) the amount paid for such New Common Stock and (ii) such U.S. Holder's tax basis in such Warrant (determined as described above). Such U.S. Holder's holding period for the New Common Stock acquired upon exercise of a Warrant received in exchange for an Allowed Claim will begin with the date on which such Warrant was exercised (or possibly on the day following the day such Warrant was exercised).

Sale, Exchange or Other Disposition of Warrants. A U.S. Holder generally will recognize capital gain or loss for U.S. federal income tax purposes upon the sale, exchange or other disposition of a Warrant in an amount equal to the difference, if any, between the amount realized on such sale, exchange or other disposition and such U.S. Holder's adjusted tax basis in such Warrant (determined as described above). Such capital gain or loss generally will be long-term capital gain or loss if the U.S. Holder has a holding period for such Warrant (determined as described above) of more than one year.

e. Accrued But Untaxed Interest

It is expected that a portion of the New Common Stock, Warrants, Cash or other property received by Holders of certain Claims in a taxable exchange will be attributable to accrued but untaxed interest on such Claims. Such amount should be taxable to a U.S. Holder as interest income if such accrued interest has not been previously included in the U.S. Holder's gross income for U.S. federal income tax purposes.

If the fair market value of the New Common Stock, Warrants, Cash or other property received by a U.S. Holder is not sufficient to fully satisfy all principal and interest on its Claims, the extent to which such New Common Stock, Warrants, Cash or other property will be attributable to accrued but untaxed interest is unclear. Under the Plan, the aggregate consideration to be distributed to Holders of Claims in each Class will be treated as first satisfying an amount equal to the stated principal amount of the Allowed Claim for such holders and any remaining consideration as satisfying accrued, but unpaid, interest, if any. Certain legislative history indicates that an allocation of consideration as between principal and interest provided in a chapter 11 plan of reorganization is binding for U.S. federal income tax purposes and the Debtors intend to take this position and follow the Plan for U.S. federal income tax purposes, while certain U.S. Treasury Regulations treat payments as allocated first to any accrued but unpaid interest. Accordingly, the IRS could take the position that the consideration received by a Holder should be allocated in some way other than as provided in the Plan. Each U.S. Holder of a Claim should consult its own tax advisors regarding the proper allocation of the consideration received under the Plan.

f. Market Discount

U.S. Holders who exchange Claims for New Common Stock, Warrants, Cash or other property may be affected by the "market discount" provisions of Sections 1276 through 1278 of the Code. Under these rules, some or all of the gain realized by a U.S. Holder may be treated as ordinary income (instead of capital gain), to the extent of the amount of accrued "market discount" on such Claims.

Generally, a U.S. Holder has market discount on a Claim to the extent that the "stated redemption price at maturity" of such Claim exceeds such U.S. Holder's initial tax basis in such Claim by more than a de minimis amount. Under the market discount rules, such U.S. Holder generally will be required to treat as ordinary income any principal payment on, or any gain on the sale, exchange, retirement or other disposition of, such Claim to the extent of any accrued market discount on such Claim. For this purpose, market discount generally will accrue ratably during the period from the date of acquisition of such Claim to the maturity date of such Claim, unless such U.S. Holder elects to accrue the market discount on such Claim under the constant yield method, which election, once made, is irrevocable. In addition, such U.S. Holder may be required to defer, until the sale, exchange, retirement or other disposition of such Claim, the deduction of all or a portion of the interest expense on any indebtedness incurred or continued to purchase or carry such Claim.

g. Limitation on Use of Capital Losses

A U.S. Holder of a Claim who recognizes a capital loss as a result of the treatment of their Claim under the Plan will be subject to limits on their use of such capital loss. For non-corporate U.S. Holders, capital losses may be used to offset any capital gains (without regard to holding periods) plus ordinary income to the extent of the lesser of (a) \$3,000 (\$1,500 for married individuals filing separate returns) or (b) the excess of the capital losses over the capital gains. U.S. Holders, other than corporations, may carry over unused capital losses and apply them to capital gains and a portion of their ordinary income for an unlimited number of years. For corporate U.S. Holders, losses from the sale or exchange of capital assets may only be used to offset capital gains. Corporate U.S. Holders may only carry over unused capital losses for the five taxable years following the capital loss year, but are allowed to carry back unused capital losses to the three taxable years preceding the capital loss year.

h. Medicare Tax

In addition to regular U.S. federal income tax, certain U.S. Holders that are individuals, estates or trusts whose income exceeds certain thresholds are subject to a 3.8% tax on all or a portion of their “net investment income,” which may include all or a portion of their income arising from New Common Stock or as a result of an exchange of their Claim for New Common Stock, Warrants, Cash or other property pursuant to the Plan. U.S. Holders that are individuals, estates or trusts should consult their own tax advisors as to the effect, if any, of this tax on their receipt, ownership or disposition of any consideration received pursuant to the Plan.

i. Post-Effective Date Distributions

To the extent a U.S. Holder of a Claim, including a Disputed Claim that ultimately becomes an Allowed Claim, receives distributions after the Effective Date, a portion of the subsequent distributions may be treated as interest. Additionally, to the extent a U.S. Holder of a Claim receives distributions in a taxable year or years, following the year of initial distribution, a portion of any gain realized by such U.S. Holder may be deferred. All U.S. Holders of Claims are urged to consult their tax advisors regarding the possible application of (or ability to elect out of) the “installment method” of reporting with respect to their Claims.

(ii) Consequences of the Plan to Non-U.S. Holders of Claims

The following discussion includes only certain U.S. federal income tax consequences of the Plan to Non-U.S. Holders. The discussion does not include any non-U.S. tax considerations. The rules governing the U.S. federal income tax consequences to Non-U.S. Holders are complex. Each Non-U.S. Holder should consult its own tax advisor regarding the U.S. federal, state and local and the foreign tax consequences of the consummation of the Plan to such Non-U.S. Holder and the ownership and disposition of the New Common Stock.

Whether a Non-U.S. Holder realized gain or loss on the exchange and the amount of such gain or loss is determined in the same manner as set forth above in connection with U.S. Holders.

a. Gain Recognition

Any gain realized by a Non-U.S. Holder on the exchange of its Claim generally will not be subject to U.S. federal income taxation unless (a) the Non-U.S. Holder is an individual who was present in the United States for 183 days or more during the taxable year in which the Restructuring Transactions contemplated by the Plan occur and certain other conditions are met, in which event such gain (net of certain U.S. source capital losses) generally will be subject to U.S. federal income tax at a rate of 30% (except as provided by an applicable tax treaty) or (b) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States, in which event such Non-U.S. Holder generally will be subject to U.S. federal income tax on such gain in substantially the same manner as a U.S. person (except as provided by an applicable tax treaty) and, if it is treated as a corporation for U.S. federal income tax purposes, may also be subject to a branch profits tax at a rate of 30% (or a lower rate if provided by an applicable tax treaty).

b. Accrued but Untaxed Interest

Payments to a Non-U.S. Holder that are attributable to accrued but untaxed interest (including payments in respect of accrued but untaxed OID) generally will not be subject to U.S. federal withholding tax, provided that:

- (i) such payments are not effectively connected with the conduct of a trade or business in the United States by such Non-U.S. Holder;
- (ii) such Non-U.S. Holder does not own, actually or constructively, 10% or more of the total combined voting power of all classes of New Altegrity stock entitled to vote;
- (iii) such Non-U.S. Holder is not a controlled foreign corporation described in Section 957(a) of the Code that is related to the Debtors through stock ownership;
- (iv) such Non-U.S. Holder is not a bank whose receipt of such amounts is described in Section 881(c)(3)(A) of the Code; and
- (v) such Non-U.S. Holder provides the withholding agent with a statement (generally on IRS Form W-8BEN or W-8BEN-E), signed under penalties of perjury, stating, among other things, that such Non-U.S. Holder is not a U.S. person. U.S. Treasury Regulations provide additional rules for a Claim held through one or more intermediaries or pass-through entities.

If the requirements set forth above are not satisfied with respect to interest that is not effectively connected with the conduct by a Non-U.S. Holder of a trade or business in the United States, amounts treated as payments of interest generally will be subject to U.S. federal withholding tax at a rate of 30%, unless another exemption is applicable. For example, an applicable tax treaty may reduce or eliminate this withholding tax if such Non-U.S. Holder provides the appropriate documentation (generally, IRS Form W-8BEN or W-8BEN-E) to the applicable withholding agent.

If a Non-U.S. Holder is engaged in the conduct of a trade or business in the United States, and if payments attributable to accrued but untaxed interest (including payments in respect of accrued but untaxed OID) in respect of a Claim are effectively connected with such trade or business, such Non-U.S. Holder generally will not be subject to U.S. federal withholding tax on such payments; provided that, such Non-U.S. Holder provides the appropriate documentation (generally, IRS Form W-8ECI or successor form) to the withholding agent. Instead, such Non-U.S. Holder generally will be subject to U.S. federal income tax on such interest in substantially the same manner as a U.S. Holder (except as provided by an applicable tax treaty). In addition, a Non-U.S. Holder that is treated as a corporation for U.S. federal income tax purposes may be subject to a branch profits tax at a rate of 30% (or a lower rate if provided by an applicable tax treaty) on its effectively connected income for the taxable year, subject to certain adjustments.

c. Sale or Other Taxable Disposition of New Altegrity Common Stock

A Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to any gain realized on the sale or other taxable disposition of the New Common Stock unless:

- (i) such gain is effectively connected with the conduct of a trade or business in the United States by such Non-U.S. Holder, in which event such Non-U.S. Holder generally will be subject to U.S. federal income tax on such gain in substantially the same manner as a U.S. person (except as provided by an applicable tax treaty) and, if it is treated as a corporation for U.S. federal income tax purposes, may also be subject to a branch profits tax at a rate of 30% (or a lower rate if provided by an applicable tax treaty); or
- (ii) such Non-U.S. Holder is an individual who is present in the United States for 183 days or more during the taxable year of such sale, redemption or repurchase or other taxable disposition and certain

other conditions are met, in which event such gain (net of certain U.S. source losses) generally will be subject to U.S. federal income tax at a rate of 30% (except as provided by an applicable tax treaty); or

(iii) New Altegrity is or has been a “United States real property holding corporation” for U.S. federal income tax purposes at any time during the shorter of (x) the five-year period ending on the date of such sale, redemption or repurchase and (y) such Non-U.S. Holder’s holding period with respect to New Altegrity common stock, and certain other conditions are met.

Generally, a corporation is a “United States real property holding corporation” if the fair market value of its United States real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business (all as determined for U.S. federal income tax purposes). The Debtors believe that New Altegrity is presently not, and the Debtors do not presently anticipate that New Altegrity will become, a United States real property holding corporation.

d. Distributions Paid to Non-U.S. Holders

If New Altegrity makes a distribution of cash or other property (other than certain pro rata distributions of New Common Stock or rights to acquire New Common Stock) with respect to a share of New Common Stock, the distribution generally will be treated as a dividend to the extent it is paid from New Altegrity’s current or accumulated earnings and profits (as determined under U.S. federal income tax principles). If the amount of such distribution exceeds New Altegrity’s current and accumulated earnings and profits, such excess generally will be treated first as a tax-free return of capital to the extent of the Non-U.S. Holder’s adjusted tax basis in such share of New Common Stock, and then as capital gain (which will be treated in the manner described above under “Sale or Other Taxable Disposition of New Altegrity Common Stock”). Distributions treated as dividends on New Common Stock that are paid to or for the account of a Non-U.S. Holder generally will be subject to U.S. federal withholding tax at a rate of 30%, or at a lower rate if provided by an applicable tax treaty and the Non-U.S. Holder provides the documentation (generally, IRS Form W-8BEN or W-8BEN-E) required to claim benefits under such tax treaty to the applicable withholding agent.

If, however, a dividend is effectively connected with the conduct of a trade or business in the United States by a Non-U.S. Holder, such dividend generally will not be subject to the 30% U.S. federal withholding tax if such Non-U.S. Holder provides the appropriate documentation (generally, IRS Form W-8ECI) to the applicable withholding agent. Instead, such Non-U.S. Holder generally will be subject to U.S. federal income tax on such dividend in substantially the same manner as a U.S. person (except as provided by an applicable tax treaty). In addition, a Non-U.S. Holder that is treated as a corporation for U.S. federal income tax purposes may be subject to a branch profits tax at a rate of 30% (or a lower rate if provided by an applicable tax treaty) on its effectively connected income for the taxable year, subject to certain adjustments.

The foregoing discussion is subject to the discussion below under “Information Reporting and Backup Withholding” and “FATCA”.

(iii) Information Reporting and Backup Withholding

Information reporting generally will apply to payments to a U.S. Holder pursuant to the Plan, unless such U.S. Holder is an entity that is exempt from information reporting and, when required, demonstrates this fact. Any such payment to a U.S. Holder that is subject to information reporting generally will also be subject to backup withholding, unless such U.S. Holder provides the appropriate documentation (generally, IRS Form W-9) to the applicable withholding agent certifying that, among other things, its taxpayer identification number is correct, or otherwise establishes an exemption.

The information reporting and backup withholding rules that apply to payments to certain U.S. Holders generally will not apply to payments to a Non-U.S. Holder if such Non-U.S. Holder certifies under penalties of perjury that it is not a U.S. person (generally by providing an IRS Form W-8BEN or W-8BEN-E to the applicable withholding agent) or otherwise establishes an exemption.

Proceeds from the sale or other taxable disposition of New Common Stock by a Non-U.S. Holder effected outside the United States through a non-U.S. office of a non-U.S. broker generally will not be subject to the information reporting and backup withholding rules that apply to payments to certain U.S. Holders, provided that the proceeds are paid to the Non-U.S. Holder outside the United States. However, proceeds from the sale or other taxable disposition of New Common Stock by a Non-U.S. Holder effected through a non-U.S. office of a non-U.S. broker with certain specified U.S. connections or a U.S. broker generally will be subject to these information reporting rules (but generally not to these backup withholding rules), even if the proceeds are paid to such Non-U.S. Holder outside the United States, unless such Non-U.S. Holder certifies under penalties of perjury that it is not a U.S. person (generally by providing an IRS Form W-8BEN or W-8BEN-E to the applicable withholding agent) or otherwise establishes an exemption. Proceeds from the sale or other taxable disposition of New Common Stock by a Non-U.S. Holder effected through a U.S. office of a broker generally will be subject to these information reporting and backup withholding rules unless such Non-U.S. Holder certifies under penalties of perjury that it is not a U.S. person (generally by providing an IRS Form W-8BEN or W-8BEN-E to the applicable withholding agent) or otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules generally will be allowed as a refund or a credit against a U.S. Holder's or Non-U.S. Holder's U.S. federal income tax liability if the required information is furnished by such U.S. Holder or Non-U.S. Holder on a timely basis to the IRS.

(iv) FATCA

Under the Foreign Account Tax Compliance Act (“**FATCA**”), foreign financial institutions and certain other foreign entities must report certain information with respect to their U.S. account holders and investors or be subject to withholding at a rate of 30% on the receipt of “withholdable payments.” For this purpose, “withholdable payments” are any U.S.-source payments of fixed or determinable, annual or periodical income (including dividends, if any, on shares of New Common Stock or payments received that are attributable to accrued but untaxed interest), as well as gross proceeds from the sale of any property of a type which can produce U.S.-source interest or dividends (which would include New Common Stock) that occur after December 31, 2016. FATCA withholding will apply even if the applicable payment would not otherwise be subject to U.S. federal nonresident withholding tax. Although administrative guidance and U.S. Treasury Regulations have been issued on FATCA, the exact scope and application of these rules remains unclear and potentially subject to material changes.

THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. THE FOREGOING SUMMARY DOES NOT DISCUSS ALL ASPECTS OF U.S. FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER OF A CLAIM IN LIGHT OF SUCH HOLDER'S CIRCUMSTANCES AND INCOME TAX SITUATION. ALL HOLDERS OF CLAIMS SHOULD CONSULT WITH THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE RESTRUCTURING TRANSACTIONS, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL OR FOREIGN TAX LAWS, AND OF ANY CHANGE IN APPLICABLE TAX LAWS.

XV.
RECOMMENDATION

Altegrity, Inc. and the other Debtors submit that the Plan is preferable to the alternatives described in this Disclosure Statement because it provides for a larger distribution to the Debtors' holders of Claims and Interests than would otherwise result in liquidation under chapter 7 of the Bankruptcy Code. In addition, any alternative other than Confirmation could result in extensive delays and increased administrative expenses, resulting in reduced recoveries to holders of Allowed Claims and Interests than those proposed under the Plan. Accordingly, the Debtors recommend that holders of Claims and Interests entitled to vote on the Plan vote to accept the Plan.

[Remainder of Page Intentionally Left Blank]

Dated: March 30, 2015

Respectfully submitted,

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By: /s/ Jeffrey S. Campbell
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Title: Senior Vice President and
Chief Financial Officer

Altegrity Acquisition Corp.

By: /s/ Jeffrey S. Campbell
Name: Jeffrey S. Campbell
Title: Senior Vice President and
Chief Financial Officer

Altegrity, Inc.

By: /s/ Jeffrey S. Campbell
Name: Jeffrey S. Campbell
Title: President and Chief Financial Officer

Altegrity Security Consulting, Inc.
CVM Solutions, LLC
D, D & C, Inc.
Engenium Corporation
FDC Acquisition, Inc.
HireRight Records Services, Inc.
(f/k/a USIS Records Services, Inc.)
HireRight Solutions, Inc.
(f/k/a USIS Commercial Services, Inc.)
HireRight, Inc.
HireRight Technologies Group, Inc.
John D. Cohen, Inc.
KCMS, Inc.
Kroll Associates, Inc.
Kroll Background America, Inc.
Kroll Crisis Management Group, Inc.
Kroll Cyber Security, Inc.
Kroll Factual Data, Inc.
Kroll Holdings, Inc.
Kroll Inc.
Kroll Information Assurance, Inc.
Kroll Information Services, Inc.
Kroll International, Inc.
Kroll Ontrack Inc.
Kroll Security Group, Inc.
National Diagnostics, Inc.
Ontrack Data Recovery, Inc.
The Official Information Company

USIS International, Inc.
USIS Worldwide, Inc.

By: /s/ Andrew E. Grimmig
Name: Andrew E. Grimmig
Title: Assistant Secretary

KIA Holding, LLC
Kroll Recovery, LLC
Altegrity Risk International LLC
(f/k/a Altegrity Risk Consulting and
Solutions, Inc.)
US Investigations Services, LLC

By: /s/ Andrew E. Grimmig
Name: Andrew E. Grimmig
Title: Assistant Secretary

Albatross Holding Company, LLC
By: Kroll Associates, Inc., its Sole Member

By: /s/ Andrew E. Grimmig
Name: Andrew E. Grimmig
Title: Assistant Secretary

Albatross Marketing & Trading, LLC
By: Albatross Holding Company, LLC
By: Kroll Associates, Inc., its Sole Member

By: /s/ Andrew E. Grimmig
Name: Andrew E. Grimmig
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By: National Diagnostics, Inc., its Sole Member

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Appendix

Glossary of Certain Frequently Used Terms in this Disclosure Statement

The following is a “plain-meaning” definition of some of the defined terms that used in this Disclosure Statement. This is not an exhaustive list of defined terms in the Plan or this Disclosure Statement, but it has been provided for your convenience for illustrative purposes only. Please refer to the Plan for additional definitions. In the event of any inconsistency between the Plan and this Appendix, the Plan is controlling.

<i>Administrative Claims</i>	Claims that arise after the Petition Date and which must be paid in order for the Debtors to exit bankruptcy. These Claims include, but are not limited to, the following: (a) the actual and necessary costs and expenses of preserving the respective estates and operating the businesses of the Debtors; (b) various professional fees; (c) statutory fees owed to the U.S. Trustee; (d) allowed reimbursable expenses of members of the Creditors’ Committee; and (e) allowed claims under section 503(b)(9) of the Bankruptcy Code (<i>e.g.</i> , for goods provided to the Debtors in the 20-day period before the Petition Date).
<i>Allowed Claim</i>	A Claim that is entitled to a distribution under the Plan. A Claim is generally Allowed if the Debtors have not objected to the Claim, or if the Debtors have objected to the Claim but the Bankruptcy Court has overruled the objections.
<i>Bankruptcy Code</i>	Title 11 of the United States Code. The Debtors’ bankruptcy cases are proceeding under chapter 11 of the Bankruptcy Code.
<i>Bankruptcy Court</i>	The United States Bankruptcy Court for the District of Delaware having jurisdiction over the Chapter 11 Cases. The Bankruptcy Judge overseeing the Chapter 11 Cases is the Honorable Laurie Selber Silverstein. The Bankruptcy Court is located in Wilmington, Delaware at 824 Market St. North, Third Floor, Wilmington, Delaware 19801.
<i>Bankruptcy Rules</i>	The Federal Rules of Bankruptcy Procedure as well as the general and local rules of the Bankruptcy Court
<i>Claim</i>	Any claim against a Debtor or, to the extent specifically referenced in the Plan, a Non-Debtor Affiliate, as defined in section 101(5) of the Bankruptcy Code.
<i>Claims and Noticing Agent</i>	Prime Clerk, located at 830 Third Avenue, 9th Floor, New York, NY 10022, (855) 842-4125, retained as the Debtors’ notice, claims and solicitation agent.
<i>Class</i>	A category of Claims or Interests that are entitled to similar treatment under the Plan. The Classes are set forth in Article III of the Plan.
<i>Company</i>	Altegrity Holding Corp. and all of its direct and indirect affiliates and subsidiaries, including Subsidiary Debtors and Non-Debtor Affiliates.
<i>Confirmation</i>	Approval of the Plan by the Bankruptcy Court.
<i>Confirmation Date</i>	The date that the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases.
<i>Confirmation Hearing</i>	The hearing at which the Debtors will present the Plan to the Bankruptcy Court for confirmation. The Confirmation Hearing is scheduled for [●], but may be adjourned without further notice.

<i>Creditors' Committee</i>	The official committee of unsecured creditors that has been appointed by the U.S. Trustee in the Chapter 11 Cases. As discussed in Section VII.A of this Disclosure Statement, the Creditors' Committee is comprised of various holders of Unsecured Claims against the Debtors. The Creditors' Committee has retained a number of professionals during the chapter 11 cases, including the law firms of Wilmer Cutler Pickering Hale and Dorr LLP and Bayard, P.A.
<i>Debtors</i>	All of the 38 Debtors in the Chapter 11 Cases as follows: Albatross Holding Company, LLC, Albatross Marketing and Trading, LLC, Altegrity Acquisition Corp., Altegrity Inc., Altegrity Risk International LLC, Altegrity Security Consulting, Inc., CVM Solutions, LLC, D, D & C, Inc., Engenium Corporation, FDC Acquisition, Inc., HireRight Records Services, Inc., HireRight Solutions, Inc., HireRight, Inc., HireRight Technologies Group, Inc., John D. Cohen, Inc., KCMS, Inc., KIA Holding, LLC, Kroll Associates, Inc., Kroll Background America, Inc., Kroll Crisis Management Group, Inc., Kroll Cyber Security, Inc., Kroll Factual Data, Inc., Kroll Holdings, Inc., Kroll Inc., Kroll Information Assurance, Inc., Kroll Information Services, Inc., Kroll International, Inc., Kroll Ontrack Inc., Kroll Recovery LLC, Kroll Security Group, Inc., National Diagnostics, Inc., Ontrack Data Recovery, Inc., Personnel Records International, LLC, The Official Information Company, US Investigations Services, LLC, USIS International, Inc., and USIS Worldwide, Inc.
<i>DIP Claim</i>	Any Claim derived from or based upon the DIP Loan Agreement, including the DIP Term Claims.
<i>Disclosure Statement</i>	This document together with the annexed exhibits.
<i>Disclosure Statement Order</i>	The order of the Bankruptcy Court, dated [●] approving this Disclosure Statement [Docket No. [●]]. A copy of the Disclosure Statement Order is attached hereto together with the Solicitation order as collective Exhibit [●] .
<i>Disputed Claim</i>	Any Claim that is not yet Allowed and has not yet been disallowed by Final Order.
<i>[Docket No. ___]</i>	A reference to a "docket entry" on the Bankruptcy Court's docket. Each document identified as a docket entry in this Disclosure Statement or the Plan is available, free of charge, at https://cases.primeclerk.com/Altegrity or, on a subscription basis, at http://pacer.psc.uscourts.gov .
<i>Effective Date</i>	The first Business Day after the terms and conditions set forth in the Plan have been satisfied or waived. This day will occur after the Confirmation Date.
<i>General Unsecured Claims</i>	Any Unsecured Claim, unless such Claim is: (a) a Second Lien Notes Deficiency Claim, (b) a Third Lien Notes Deficiency Claim, (c) a 2015 Senior Notes Claim, (d) a 2016 Senior Subordinated Notes Claim, (e) a Junior Subordinated Notes Claim, (f) an Intercompany Claim, (g) an Administrative Claim, (h) a Priority Tax Claim, (i) an Other Priority Claim, (j) a Claim for Accrued Professional Compensation, (k) the portion of any Insured Claim that is not an Insured Deficiency Claim or (l) any Liquidating Debtors Unsecured Claim.

<i>Intercompany Claims</i>	Any Claim held by a Debtor against another Debtor or any Claim held against a Debtor by a Non-Debtor Affiliate that is a direct or indirect subsidiary of Altegrity Holding Corp.
<i>Interest</i>	Any share of common stock, preferred stock or other instrument evidencing an ownership interest in any of the Debtors, whether or not transferable, and any option, warrant or other right, contractual or otherwise, to acquire any such interest in a Debtor that existed before the Effective Date, any phantom stock or other similar stock unit provided pursuant to the Debtors' prepetition employee compensation programs and any Claim related to the purchase of interests subject to subordination pursuant to section 510(b) of the Bankruptcy Code
<i>Lien Claims</i>	Any Secured Claim that is not: (a) a DIP Claim; (b) a First Lien Credit Agreement Claim; (c) a First Lien Notes Claim; (d) a Second Lien Notes Claim; or (e) a Third Lien Notes Claim.
<i>Liquidation Analysis</i>	The analysis prepared by the Debtors and their advisors in which the Debtors determine whether holders of Claims and Interests would receive more under a liquidation or the Plan. See Exhibit D entitled " <u>Liquidation Analysis</u> ."
<i>New Altegrity</i>	A new holding company created prior to the Effective Date that will be the ultimate parent of the Reorganizing Debtors after the Restructuring Transactions are completed.
<i>Other Priority Claim</i>	Any Claim accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than an Administrative Claim or a Priority Tax Claim.
<i>Petition Date</i>	February 8, 2015, the Date on which each of the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the Bankruptcy Court.
<i>Plan</i>	The <i>Joint Chapter 11 Plan of Altegrity Inc., et al.</i> [Docket No. [●]] including the Plan Supplement.
<i>Plan Objection Deadline</i>	[●], the last day on which all objections to the Plan must be filed with the Bankruptcy Court and actually received by the Debtors and other appropriate parties pursuant to the Solicitation Order.
<i>Plan Supplement</i>	The compilation of documents and forms of documents, schedules and exhibits to the Plan, which the Debtors shall use commercially reasonable efforts to cause to be filed seven (7) days prior to (but in no event later than) the deadline fixed for objecting to Confirmation or such later date as may be approved by the Bankruptcy Court, and additional documents filed with the Bankruptcy Court before the Effective Date as amendments, modifications or supplements to the Plan Supplement.
<i>Priority Tax Claims</i>	Any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.
<i>Reorganized Debtors</i>	The Reorganizing Debtors, as reorganized under the Plan.

<i>Restructuring Support Agreement</i>	The restructuring support agreement dated as of February 2, 2015 (including any amendments or waivers from time to time) entered into by the Consenting First Lien Notes Creditors, Consenting First Lien Term Loan Lenders, Consenting Interest Holders, Consenting Junior Lien Creditors and the Debtors and attached as Exhibit 1 to the <i>Order Authorizing the Debtors to Assume the Restructuring Support Agreement</i> [Docket No. 208].
<i>Second Lien Distribution</i>	98% of the New Common Stock issued as of the Effective Date, which shall be subject to dilution by any New Common Stock issued in connection with the New Incentive Plan and any New Common Stock issued in connection with exercise of the Warrants.
<i>Secured Claim</i>	A Claim that is (a) secured by a lien on the property of the Debtor; (b) subject to setoff under section 553 of the Bankruptcy Code; or (c) otherwise Allowed as a Secured Claim.
<i>Solicitation Order</i>	The order of the Bankruptcy Court, dated [●] approving among other things, the dates, procedures and forms applicable to the process of soliciting votes on and providing notice of the Plan and providing notice of the Plan and certain vote tabulation procedures and establishing the deadline for filing objections to the Plan and scheduling the Confirmation Hearing [Docket No. [●]]. A copy of the Solicitation Order is attached hereto together with the Disclosure Statement Order as collective <u>Exhibit B</u> .
<i>Subsidiary Debtors</i>	All of the Debtors other than Altegrity Holding Corp.
<i>Third Lien Distribution</i>	2% of the New Common Stock issued as of the Effective Date, which shall be subject to dilution by any New Common Stock issued in connection with the New Incentive Plan and any New Common Stock issued in connection with exercise of the Warrants.
<i>U.S. Trustee</i>	The United States Trustee's office for the District of Delaware.
<i>Voting and Tabulation Procedures</i>	The procedures outlining the process for soliciting, receiving and tabulating votes on the Plan. They are included as Exhibit [●] to the Debtors' Motion to Approve the Disclosure Statement and Solicitation Procedures.
<i>Voting Classes</i>	Classes A4, A5, A7, B4, B5, B6, and B7 under the Plan, each of which is entitled to vote to accept or reject the Plan.
<i>Voting Deadline</i>	[4:00 p.m.] (ET) on [●], the date by which all completed Ballots must be <u>actually received</u> by the Claims and Noticing Agent.
<i>Voting Record Date</i>	[●], the date that will determines which holders of Claims and Interests in the Voting Classes are entitled to vote or reject the Plan.

EXHIBIT A – PLAN OF REORGANIZATION

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

ALTEGRITY, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 15-10226 (LSS)

Jointly Administered

JOINT CHAPTER 11 PLAN OF ALTEGRITY, INC., ET AL.

THIS CHAPTER 11 PLAN IS BEING SUBMITTED FOR APPROVAL BY THE BANKRUPTCY COURT. THIS CHAPTER 11 PLAN HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT. ACCORDINGLY, THIS IS NOT A SOLICITATION OF AN ACCEPTANCE OR REJECTION OF THE CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE, 11 U.S.C. § 1125. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT.

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Dated: March 30, 2015

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Altegrity, Inc. (9985); Albatross Holding Company, LLC (2688); Albatross Marketing and Trading, LLC (8643); Altegrity Acquisition Corp. (1480); Altegrity Holding Corp. (1481); Altegrity Risk International LLC (6350); Altegrity Security Consulting, Inc. (5452); CVM Solutions, LLC (9526); D, D & C, Inc. (9552); Engenium Corporation (2269); FDC Acquisition, Inc. (2387); HireRight Records Services, Inc. (1944); HireRight Solutions, Inc. (8954); HireRight Technologies Group, Inc. (1660); HireRight, Inc. (5016); John D. Cohen, Inc. (1738); KCMS, Inc. (0085); KIA Holding, LLC (1333); Kroll Associates, Inc. (6880); Kroll Background America, Inc. (4830); Kroll Crisis Management Group, Inc. (3811); Kroll Cyber Security, Inc. (2393); Kroll Factual Data, Inc. (9911); Kroll Holdings, Inc. (4648); Kroll Inc. (1019); Kroll Information Assurance, Inc. (2283); Kroll Information Services, Inc. (2381); Kroll International, Inc. (1243); Kroll Ontrack Inc. (1650); Kroll Recovery LLC (7082); Kroll Security Group, Inc. (5514); National Diagnostics, Inc. (7132); Ontrack Data Recovery, Inc. (3148); Personnel Records International, LLC (0716); The Official Information Company (1805); US Investigations Services, LLC (9260); USIS International, Inc. (3617); and USIS Worldwide, Inc. (4258). The location of the Debtors' corporate headquarters is 600 Third Avenue, 4th Floor, New York, NY 10016.

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INTRODUCTION

Altegrity, Inc. and its affiliated debtors and debtors in possession in the above-captioned Chapter 11 Cases respectfully propose the following joint chapter 11 plan of reorganization. Capitalized terms used in the Plan and not otherwise defined shall have the meanings ascribed to such terms in Section 1.1 hereof.

ARTICLE I

DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW

1.1 Defined Terms

Unless the context otherwise requires, the following terms shall have the following meanings when used in capitalized form:

1. “*2015 10.50% Senior Notes*” means the 10.50% Senior Notes due 2015 issued by Altegrity pursuant to the 2015 10.50% Senior Notes Indenture.

2. “*2015 10.50% Senior Notes Indenture*” means the Indenture, dated as of October 24, 2007, among Altegrity, the subsidiaries of Altegrity named as guarantors on the signature pages thereto and the 2015 10.50% Senior Notes Indenture Trustee, as well as any guarantees and other documents entered into in connection therewith, and as amended, supplemented, or otherwise modified from time to time.

3. “*2015 10.50% Senior Notes Indenture Trustee*” means Delaware Trust Company or its duly appointed successor, in its capacity as indenture trustee under the 2015 10.50% Senior Notes Indenture.

4. “*2015 12.00% Senior Notes*” means 12.00% Senior Notes due 2015 issued by Altegrity pursuant to the 2015 12.00% Senior Notes Indenture.

5. “*2015 12.00% Senior Notes Indenture*” means the Indenture, dated as of August 3, 2010, among Altegrity, the subsidiaries of Altegrity named as guarantors on the signature pages thereto and the 2015 12.00% Senior Notes Indenture Trustee, as well as any guarantees and other documents entered into in connection therewith, and as amended, supplemented, or otherwise modified from time to time.

6. “*2015 12.00% Senior Notes Indenture Trustee*” means Delaware Trust Company or its duly appointed successor, in its capacity as indenture trustee under the 2015 12.00% Senior Notes Indenture.

7. “*2015 Senior Notes*” means the 2015 10.50% Senior Notes and the 2015 12.00% Senior Notes.

8. “*2015 Senior Notes Claims*” means any Claim arising under the 2015 Senior Notes.

9. “*2016 Senior Subordinated Notes*” means the 11.75% Senior Subordinated Notes due 2016, issued by Altegrity pursuant to the 2016 Senior Subordinated Notes Indenture.

10. “*2016 Senior Subordinated Notes Claims*” means any Claim arising under the 2016 Senior Subordinated Notes.

11. “*2016 Senior Subordinated Notes Indenture*” means the Indenture, dated as of dated as of October 24, 2007, among Altegrity, the subsidiaries of Altegrity named as guarantors on the signature pages thereto and the 2016 Senior Subordinated Notes Indenture Trustee, as well as any guarantees and other documents entered into in connection therewith, and as amended, supplemented, or otherwise modified from time to time.

12. “*2016 Senior Subordinated Notes Indenture Trustee*” means BOKF, N.A. or its duly appointed successor, in its capacity as indenture trustee under the 2016 Senior Subordinated Notes Indenture.

13. “*Accrued Professional Compensation*” means, at any given moment, all accrued, contingent or unpaid fees (including success fees) for legal, financial advisory, accounting and other services and obligations for reimbursement of expenses rendered or incurred before the Effective Date that are awardable or allowable under sections 328, 330(a) or 331 of the Bankruptcy Code to any retained Professional in the Chapter 11 Cases, or that are awardable or allowable under section 503 of the Bankruptcy Code, that have not been denied by a Final Order, all to the extent that any such fees and expenses have not been previously paid. To the extent that the Bankruptcy Court or any higher court denies or reduces by a Final Order any amount of a Professional’s fees or expenses, then those reduced or denied amounts shall no longer constitute Accrued Professional Compensation. For the avoidance of doubt, Accrued Professional Compensation shall not include any accrued, contingent or unpaid fees for services and obligations for reimbursement of expenses rendered or incurred before the Effective Date by any Entity retained pursuant to the Ordinary Course Professional Order and authorized to be compensated thereunder without filing a fee application.

14. “*Ad Hoc Group of First Lien Creditors*” means that certain group of holders of First Lien Credit Agreement Claims and First Lien Notes Claims represented from time to time by Kirkland & Ellis LLP.

15. “*Ad Hoc Group of Second and Third Lien Creditors*” means that certain group of holders of First Lien Notes Claims, Second Lien Notes Claims and Third Lien Notes Claims represented from time to time by Paul, Weiss, Rifkind, Wharton & Garrison LLP.

16. “*Administrative Claim*” means a Claim for costs and expenses of administration of the Chapter 11 Cases of a kind specified under section 503(b) and entitled to priority under section 507(a)(2), 507(b) or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estates and operating the businesses of the Debtors; (b) compensation for legal, financial advisory, accounting and other services and reimbursement of expenses Allowed pursuant to sections 328, 330(a), 331 or 363 of the Bankruptcy Code or otherwise for the period commencing on the Petition Date and through the Effective Date; (c) DIP Claims; (d) all fees and charges assessed against the Estates pursuant to chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1–4001; and (e) all requests for compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases pursuant to sections 503(b)(3), (4) and (5) of the Bankruptcy Code.

17. “*Affiliate*” has the meaning set forth in section 101(2) of the Bankruptcy Code.

18. “*Allowed*” means, (a) with respect to Claims: (i) any Claim, proof of which is timely filed by the applicable Claims Bar Date (or for which Claim under the Plan, the Bankruptcy Code or a Final Order of the Bankruptcy Court a Proof of Claim is not or shall not be required to be filed); (ii) any Claim that is listed in the Schedules as not contingent, not unliquidated and not disputed, and for which no Proof of Claim has been timely filed; (iii) any Claim that is allowed pursuant to a Final Order of the Bankruptcy Court; or (iv) any Claim that is allowed pursuant to the Plan; *provided, however*, that with respect to any Claim described in clauses (i) and (ii) above, such Claim shall be considered Allowed only if and to the extent that no objection to the allowance of such Claim or any portion thereof has been filed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court, or such an objection is filed and the Claim shall have been Allowed by a Final Order, and (b) with respect to Interests: (i) any Interest that is allowed pursuant to the Plan; or (ii) any other Interest that has been allowed by a Final Order of the Bankruptcy Court. Except for any Claim that is expressly Allowed herein, any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated or disputed, and for which no Proof of Claim has been filed, is not considered Allowed and shall be deemed expunged upon entry of the Confirmation Order without further action by the Debtors and without further notice to any party or action, approval, or order of the Bankruptcy Court. Unless specified under the Plan, under the Bankruptcy Code or by order of the Bankruptcy Court, Allowed Claims shall not, for any purpose under the Plan, include any interest, costs, fees or charges on such Claims from and after the Petition Date. “*Allow*” and “*Allowing*” shall have correlative meanings.

19. “*Altegrity*” means Altegrity, Inc., a Delaware corporation.

20. “*Bankruptcy Code*” means title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as amended from time to time.

21. “*Bankruptcy Court*” means the United States Bankruptcy Court for the District of Delaware having jurisdiction over the Chapter 11 Cases.

22. “*Bankruptcy Rules*” means the Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under 28 U.S.C. § 2075, as well as the general and local rules of the Bankruptcy Court.

23. “*Business Day*” means any day other than a Saturday, Sunday or “legal holiday” (as such term is defined in Bankruptcy Rule 9006(a)).

24. “*Cash*” means the legal tender of the United States of America or the equivalent thereof.

25. “*Causes of Action*” means any action, claim, cause of action, controversy, demand, right, action, Lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, offset, power, privilege, license and franchise of any kind or character whatsoever, known, unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity or pursuant to any other theory of law. Causes of Action also include: (a) any right of setoff, counterclaim or recoupment and any claim on contracts or for breaches of duties imposed by law or in equity; (b) the right to object to Claims or Interests; (c) any claim pursuant to section 362 or chapter 5 of the Bankruptcy Code; (d) any claim or defense including fraud, mistake, duress and usury and any other defenses set forth in section 558 of the Bankruptcy Code; (e) any state law fraudulent transfer claim; and (f) any claim listed in the Plan Supplement.

26. “*Chapter 11 Cases*” means (a) when used with reference to a particular Debtor, the chapter 11 case pending for that Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court and (b) when used with reference to all Debtors, the procedurally consolidated chapter 11 cases pending for the Debtors in the Bankruptcy Court under Case No. 15-10226 (LSS).

27. “*Claim*” means any claim against a Debtor or, to the extent specifically referenced in the Plan, a Non-Debtor Affiliate, as defined in section 101(5) of the Bankruptcy Code.

28. “*Claims and Noticing Agent*” means Prime Clerk, located at 830 Third Avenue, 9th Floor, New York, NY 10022, (855) 842-4125, retained as the Debtors’ notice, claims and solicitation agent.

29. “*Claims Bar Date*” means, as applicable, (a) April 30, 2015 or (b) such other period of limitation as may be specifically fixed by an order of the Bankruptcy Court for the filing of certain Claims.

30. “*Claims Objection Bar Date*” means, for each Claim, the first business day that is 180 days after the Effective Date, or such later date the Court may establish upon a motion by the Reorganized Debtors, which motion may be approved without notice to any party or a hearing.

31. “*Claims Register*” means the official register of Claims maintained by the Claims and Noticing Agent.

32. “*Class*” means a category of Claims or Interests as set forth in Article III.

33. “*Company*” means, collectively, Altegrity Holding Corp. and all of its direct and indirect affiliates and subsidiaries, including Subsidiary Debtors and Non-Debtor Affiliates.

34. “*Confirmation*” means the entry of the Confirmation Order on the docket of the Chapter 11 Cases.

35. “*Confirmation Date*” means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases within the meaning of Bankruptcy Rules 5003 and 9021.

36. “*Confirmation Hearing*” means the hearing held by the Bankruptcy Court on Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code, as such hearing may be continued from time to time.

37. “*Confirmation Order*” means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

38. “*Consenting First Lien Creditors*” means, collectively, the Consenting First Lien Term Loan Lenders and the Consenting First Lien Notes Creditors.

39. “*Consenting First Lien Creditors’ Designee*” means the Person designated by the Consenting First Lien Creditors, which Person shall be identified in the Plan Supplement, to serve as a member of the Liquidating Debtors Plan Administrator Oversight Committee from and after the Effective Date and any successor to such Person selected by the Consenting First Lien Creditors.

40. “*Consenting First Lien Notes Creditors*” means those holders of the First Lien Notes that are signatories to the Restructuring Support Agreement.

41. “*Consenting First Lien Term Loan Lenders*” means those lenders party to the First Lien Credit Agreement that are signatories to the Restructuring Support Agreement.

42. “*Consenting Interest Holders*” means, collectively, Providence Equity Partners VI L.P. and Providence Equity partners VI-A L.P.

43. “*Consenting Junior Lien Creditors*” means, collectively, the Consenting Second Lien Creditors and the Consenting Third Lien Creditors.

44. “*Consenting Junior Lien Creditors’ Designee*” means the Person designated by the Consenting Junior Lien Creditors, which Person shall be identified in the Plan Supplement, to serve as a member of the Liquidating Debtors Plan Administrator Oversight Committee from and after the Effective Date and any successor to such Person selected by the Consenting Junior Lien Creditors.

45. “*Consenting Second Lien Creditors*” means those holders of Second Lien Notes that are signatories to the Restructuring Support Agreement.

46. “*Consenting Third Lien Creditors*” means those holders of Third Lien Notes that are signatories to the Restructuring Support Agreement.

47. “*Consummation*” means the occurrence of the Effective Date.

48. “*Corporate Governance Documents*” means, with respect to each Reorganized Debtor, the new by-laws and the new certificates of incorporation (or other similar corporate organizational and governance documents) of such Entity, the forms of which shall be included in the Plan Supplement, and which shall be reasonably acceptable to the Consenting First Lien Creditors and acceptable to each Consenting Junior Lien Creditor.

49. “*Creditors’ Committee*” means the statutory committee of unsecured creditors of the Debtors appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code by the U.S. Trustee on February 24, 2015, as may be reconstituted from time to time.

50. “*Cure Claim*” means a Claim based upon a monetary default, if any, by any Debtor of an Executory Contract or Unexpired Lease at the time such contract or lease is assumed by such Debtor pursuant to sections 365 or 1123 of the Bankruptcy Code.

51. “*Cure Obligations*” means all: (a) amounts (or such other amount as may be agreed upon by the parties under an Executory Contract or Unexpired Lease) required to cure any monetary defaults; and (b) other

obligations required to cure any non-monetary defaults under any Executory Contract or Unexpired Lease that is to be assumed by the Reorganized Debtors pursuant to sections 365 or 1123 of the Bankruptcy Code.

52. “*D&O Liability Insurance Policies*” means all insurance policies of any of the Debtors or Reorganized Debtors for directors’, managers’ and officers’ liability.

53. “*Debtor*” means one of the Debtors, in its individual capacity as a debtor and debtor in possession in the Chapter 11 Cases.

54. “*Debtors*” means, collectively: Altegrity, Inc.; Albatross Holding Company, LLC; Albatross Marketing and Trading, LLC; Altegrity Acquisition Corp.; Altegrity Holding Corp.; Altegrity Risk International LLC; Altegrity Security Consulting, Inc.; CVM Solutions, LLC; D, D & C, Inc.; Engenium Corporation; FDC Acquisition, Inc.; HireRight Records Services, Inc.; HireRight Solutions, Inc.; HireRight Technologies Group, Inc.; HireRight, Inc.; John D. Cohen, Inc.; KCMS, Inc.; KIA Holding, LLC; Kroll Associates, Inc.; Kroll Background America, Inc.; Kroll Crisis Management Group, Inc.; Kroll Cyber Security, Inc.; Kroll Factual Data, Inc.; Kroll Holdings, Inc.; Kroll Inc.; Kroll Information Assurance, Inc.; Kroll Information Services, Inc.; Kroll International, Inc.; Kroll Ontrack Inc.; Kroll Recovery LLC; Kroll Security Group, Inc.; National Diagnostics, Inc.; Ontrack Data Recovery, Inc.; Personnel Records International, LLC; The Official Information Company; US Investigations Services, LLC; USIS International, Inc.; and USIS Worldwide, Inc.

55. “*DIP Agent*” means Cantor Fitzgerald Securities or its duly appointed successor, in its capacity as administrative agent under the DIP Loan Agreement.

56. “*DIP Claims*” means any Claim derived from or based upon the DIP Loan Agreement, including the DIP Term Claims.

57. “*DIP Lenders*” means the lender parties to the DIP Loan Agreement from time to time, each in their capacity as such.

58. “*DIP Loan Agreement*” means that Certain Superpriority Debtor-in-Possession Credit and Guaranty Agreement, dated as of February 11, 2015, among Altegrity Holding Corp., Altegrity Acquisition Corp., Altegrity, the other Debtors party thereto, the DIP Agent and the DIP Lenders.

59. “*DIP Term Claims*” means any Claim derived from or based upon the DIP Term Loan, including Claims for DIP PIK Interest under the DIP Loan Agreement.

60. “*DIP Term Loan*” means the superpriority secured term loan facility in an aggregate principal amount of up to \$90 million made available to the Debtors under the DIP Loan Agreement.

61. “*DIP PIK Interest*” means all accrued interest in respect of the DIP Term Loan.

62. “*Disallowed*” means, with respect to any Claim or Interest, any Claim or Interest that has been disallowed by a Final Order (which may be the Confirmation Order).

63. “*Disbursing Agent*” means the Reorganized Debtors or the Entity or Entities chosen by the Reorganized Debtors to make or facilitate distributions pursuant to the Plan, including each of the Indenture Trustees.

64. “*Disclosure Statement*” means the *Disclosure Statement for the Joint Chapter 11 Plan of Altegrity Inc., et al.*, dated [●], including all exhibits and schedules thereto and references therein that relate to the Plan that is prepared, approved by order of the Bankruptcy Court and distributed in accordance with such order of approval.

65. “*Disputed*” means, with respect to any Claim or Interest, any Claim or Interest that is not yet Allowed and has not yet been disallowed by Final Order. For the avoidance of doubt, any Claim, in whole or in

part, that is subject to a pending objection to the Allowance of such Claim shall be considered a Disputed Claim in its entirety until that objection has been resolved by Final Order of the Bankruptcy Court.

66. “*Distribution Date*” means any of the Initial Distribution Date or the Periodic Distribution Dates.

67. “*Distribution Record Date*” means the date that the Confirmation Order is entered by the Bankruptcy Court.

68. “*DTC*” means The Depository Trust Company.

69. “*Effective Date*” means the first Business Day after which all provisions, terms and conditions specified in Section 10.2 have been satisfied or waived pursuant to Section 10.3, and on which no stay of the Confirmation Order is in effect.

70. “*Entity*” has the meaning set forth in section 101(15) of the Bankruptcy Code.

71. “*Estate*” means, as to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

72. “*Exchange Act*” means the U.S. Exchange Act of 1934, as amended.

73. “*Exculpated Claim*” means any claim related to any act or omission in connection with, relating to or arising out of the Debtors’ in-court or out-of-court restructuring efforts, the Chapter 11 Cases, formulation, preparation, dissemination, negotiation or filing of the Disclosure Statement or the Plan or any contract, instrument, release or other agreement or document created or entered into in connection with the Disclosure Statement or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance of Plan securities, or the distribution of property under the Plan or any other related agreement. For the avoidance of doubt, no Cause of Action, obligation or liability expressly preserved by the Plan or the Plan Supplement constitutes an Exculpated Claim.

74. “*Exculpated Party*” means each of: (a) the Debtors, the Reorganized Debtors and their Affiliates; (b) the Indenture Trustees; (c) the First Lien Credit Agreement Agent; (d) the DIP Agent; (e) the DIP Lenders; (f) the members of the Ad Hoc Group of First Lien Creditors; (g) the members of the Ad Hoc Group of Second and Third Lien Creditors; (h) the Consenting First Lien Creditors; (i) the Consenting Junior Lien Creditors; (i) the other parties to the Restructuring Support Agreement from time to time; and (j) with respect to each of the foregoing Entities in clauses (a) through (i), such Entities’ subsidiaries, affiliates, members, officers, directors, agents, financial advisors, accountants, investment bankers, consultants, attorneys, employees, partners, affiliates and representatives, in each case only in their capacity as such.

75. “*Exculpation*” means the exculpation provision set forth in Section 9.4 hereof.

76. “*Executory Contract*” means a contract to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

77. “*Final DIP Order*” means the *Final Order (A) Authorizing Postpetition Secured Financing Pursuant to 11 U.S.C. §§ 105, 362, 363 and 364, (B) Granting Liens and Superpriority Claims, (C) Authorizing the Use of Cash Collateral, and (D) Granting Adequate Protection* [Docket No. 207].

78. “*Final Order*” means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter, which has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari has expired and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment could be appealed or from which certiorari could be sought or the new trial, reargument or rehearing shall have been denied, resulted in no modification of such order or has otherwise been dismissed with prejudice.

79. “*First Lien Credit Agreement*” means the Credit Agreement, dated as of July 3, 2014, among Altegrity Acquisition Corp., Altegrity, the lenders party thereto in their capacities as lenders thereunder, the First Lien Credit Agreement Agent, as well as any guarantees and other documents entered into in connection therewith, and as amended, supplemented, or otherwise modified from time to time (including, without limitation, by the First Lien Credit Agreement Amendment).

80. “*First Lien Credit Agreement Agent*” means Goldman Sachs Bank USA or its duly appointed successor, in its capacity as administrative agent and collateral agent under the First Lien Credit Agreement.

81. “*First Lien Credit Agreement Amendment*” means the First Amendment and Consent to Credit Agreement, dated as of February 6, 2015, among Altegrity Acquisition Corp., Altegrity, the lenders party thereto in their capacities as lenders thereunder, and the First Lien Credit Agreement Agent.

82. “*First Lien Credit Agreement Claims*” means any Claim arising under the First Lien Credit Agreement.

83. “*First Lien Debt Amendments*” means, collectively, the First Lien Credit Agreement Amendment and the First Lien Notes Third Supplemental Indenture.

84. “*First Lien Indebtedness*” means, collectively, the First Lien Credit Agreement Claims, First Lien Notes Claims, and any other Claims arising under the Senior Priority Documents.

85. “*First Lien Notes*” means the 9.50% Senior Secured First Lien Notes due 2019 issued by Altegrity pursuant to the First Lien Indenture.

86. “*First Lien Notes Claims*” means any Claim arising under the First Lien Notes or the First Lien Notes Indenture other than any claims for fees and expenses by the First Lien Notes Trustee as set forth in Article 13.4 of the Plan.

87. “*First Lien Notes Collateral Agent*” means Wilmington Trust, National Association or its duly appointed successor, in its capacity as collateral agent under the First Lien Notes Indenture.

88. “*First Lien Notes Indenture*” means the indenture providing for issuance of senior first lien secured notes in series, dated as of July 3, 2014, among Altegrity, the subsidiaries of Altegrity named as guarantors on the signature pages thereto and the First Lien Notes Trustee, as well as any guarantees and other documents entered into in connection therewith, and as amended, supplemented, or otherwise modified from time to time (including, without limitation, by the First Lien Notes Third Supplemental Indenture).

89. “*First Lien Notes Third Supplemental Indenture*” means the Third Supplemental Indenture, dated as of February 6, 2015, among Altegrity, the subsidiaries of Altegrity named as guarantors on the signature pages thereto and the First Lien Notes Trustee.

90. “*First Lien Notes Trustee*” means Wilmington Trust, National Association or its duly appointed successor, in its capacity as indenture trustee under the First Lien Notes Indenture.

91. “*General Unsecured Claims*” means any Unsecured Claim, unless such Claim is: (a) a Second Lien Notes Deficiency Claim, (b) a Third Lien Notes Deficiency Claim, (c) a 2015 Senior Notes Claim, (d) a 2016 Senior Subordinated Notes Claim, (e) a Junior Subordinated Notes Claim, (f) an Intercompany Claim, (g) an Administrative Claim, (h) a Priority Tax Claim, (i) an Other Priority Claim, (j) a Claim for Accrued Professional Compensation, (k) the portion of any Insured Claim that is not an Insured Deficiency Claim or (l) any Liquidating Debtors Unsecured Claim.

92. “*Governmental Unit*” means (i) any domestic, foreign, provincial, federal, state, local or municipal (a) government or (b) governmental agency, commission, department, bureau, ministry or other governmental entity or (ii) any other governmental unit as defined in section 101(27) of the Bankruptcy Code.

93. “*Impaired*” means any Claim or Interest in an Impaired Class.
94. “*Impaired Class*” means a Class that is impaired within the meaning of section 1124 of the Bankruptcy Code. For the avoidance of doubt, Impaired Classes are A4, A5, A7, A8, A9, A10, B4, B5, B6, and B7.
95. “*Indemnification Provision*” means each of the indemnification provisions, agreements or obligations currently in place, whether in the bylaws, certificates of incorporation or other formation documents in the case of a limited liability company, board resolutions or employment contracts, for the Debtors and the current and former directors, officers, members (including *ex officio* members), employees, attorneys, other professionals and agents of the Debtors and such current and former directors, officers and members’ respective Affiliates.
96. “*Indemnified Parties*” means, collectively, any Debtor and current and former director, officer, member (including *ex officio* members), employee, attorney, other professional and agent of the Debtors and such current and former directors, officers and members’ respective Affiliates who is the beneficiary of an Indemnification Provision.
97. “*Indenture Trustees*” means, collectively, the 2015 10.50% Senior Notes Indenture Trustee, 2015 12.50% Senior Notes Indenture Trustee, the 2016 Senior Subordinated Notes Indenture Trustee, the First Lien Notes Indenture Trustee, the Second Lien Notes Indenture Trustee and the Third Lien Notes Indenture Trustee.
98. “*Indentures*” means, collectively, the 2015 10.50% Senior Notes Indenture, the 2015 12.50% Senior Notes Indenture, the 2016 Senior Subordinated Notes Indenture, the First Lien Notes Indenture, the Second Lien Notes Indenture and the Third Lien Notes Indenture.
99. “*Initial Distribution Date*” means the Effective Date or the date occurring as soon as reasonably practicable after the Effective Date when distributions under the Plan shall commence.
100. “*Insurance Coverage Action*” means any action brought before a court, arbitrator, or other tribunal seeking determination of one or more causes of action, including declaratory relief, indemnification, contribution, or an award of damages, arising out of or relating to any of the Insurance Policies.
101. “*Insurance Policies*” means any insurance policies, insurance settlement agreements, coverage-in-place agreements or other agreements related to the provision of insurance entered into by or issued to or for the benefit of any of the Debtors or their predecessors.
102. “*Insurance Proceeds*” means the insurance proceeds available to the Debtors or holders of Insured Claims under any of the Insurance Policies.
103. “*Insured Claim*” means any Claim that is payable or subject to indemnification, in whole or in part, from Insurance Proceeds under one or more of the Insurance Policies.
104. “*Insured Deficiency Claim*” means the unsecured balance, if any, of an Insured Claim that remains after deducting the amount of Insurance Proceeds available on account of such Insured Claim.
105. “*Insurer*” means a counterparty to any Insurance Policy that is not one of the Debtors, their predecessors, or affiliates.
106. “*Intercompany Claim*” means (a) any Claim held by a Debtor against another Debtor or (b) any Claim held against a Debtor by a Non-Debtor Affiliate that is a direct or indirect subsidiary of Altegrity Holding Corp.
107. “*Interest*” means any share of common stock, preferred stock or other instrument evidencing an ownership interest in any of the Debtors, whether or not transferable, and any option, warrant or other right, contractual or otherwise, to acquire any such interest in a Debtor that existed before the Effective Date, any phantom stock or other similar stock unit provided pursuant to the Debtors’ prepetition employee compensation programs and

any Claim related to the purchase of interests subject to subordination pursuant to section 510(b) of the Bankruptcy Code; *provided, however*, that to the extent an Interest is subject to the terms of a prepetition contract or other agreement, any recovery under the Plan on account of such Interest shall be subject to the terms of such contract or agreement.

108. “*Interim Compensation Order*” means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 202].

109. “*Junior Subordinated Notes*” means the zero coupon junior subordinated notes of Altegrity issued and sold pursuant to the Junior Subordinated Note Purchase Agreement.

110. “*Junior Subordinated Notes Claims*” means any Claim arising under the Junior Subordinated Notes.

111. “*Junior Subordinated Note Purchase Agreement*” means the Note Purchase Agreement dated as of August 3, 2010 among Altegrity and the purchasers party thereto, as amended, supplemented, or otherwise modified from time to time.

112. “*Lien*” has the meaning set forth in section 101(37) of the Bankruptcy Code.

113. “*Lien Claim*” means any Secured Claim that is not: (a) a DIP Claim; (b) a First Lien Credit Agreement Claim; (c) a First Lien Notes Claim; (d) a Second Lien Notes Claim; or (e) a Third Lien Notes Claim.

114. “*Liquidating Debtor*” means any of US Investigation Services, LLC, USIS International, Inc., USIS Worldwide, Inc. and John D. Cohen, Inc.

115. “*Liquidating Debtors Unsecured Claim*” means any Unsecured Claim against any Liquidating Debtor and any Intercompany Claims held by any Reorganizing Debtor against any Liquidating Debtor.

116. “*Liquidating Debtors Plan Administrator*” means, from and after the Effective Date, New Altegrity.

117. “*Liquidating Debtors Plan Administrator Oversight Committee*” means the committee consisting of the Reorganized Debtors’ Designee, the Consenting Junior Lien Creditors’ Designee, and the Consenting First Lien Creditors’ Designee.

118. “*Liquidating Debtors Unsecured Claims Distribution Pool*” means, the proceeds from any unencumbered assets of the Liquidating Debtors, if any.

119. “*New Altegrity*” means a new holding company created prior to the Effective Date that will be the ultimate parent of the Reorganizing Debtors after the Restructuring Transactions are completed.

120. “*New Board*” means, with respect to each Reorganized Debtor, the initial board of directors of such Entity appointed as of the Effective Date, the members of which shall be determined in accordance with Section 5.9.

121. “*New Common Stock*” means a certain number of common shares in the capital of New Altegrity authorized pursuant to the Plan. The number of shares that shall be initially issued and outstanding pursuant to the Plan as of the Effective Date will be set forth in the Plan Supplement.

122. “*New Employment Agreements*” means employment agreements between the Debtors and certain individuals in the Debtors’ senior management, the terms of which shall be included in the Plan Supplement.

123. “*New Incentive Plan*” means an equity incentive plan, option plan, unit plan, restricted equity incentive plan or other similar management incentive award plan that shall provide for grants of options and/or

restricted units/equity reserved for management, directors, and employees. The amount, form, exercise price, application and vesting of such equity-based awards, and any limitation thereon, shall be determined and approved by the New Board and implemented after the Effective Date; *provided* that the Reorganized Debtors shall allocate up to 10% of the New Common Stock to be distributed under such New Incentive Plan.

124. “*New Revolving Credit Facility Agreement*” means one or more financing agreements to be executed by the Reorganized Debtors on or before the Effective Date, providing for a new senior secured revolving credit facility in an amount up to \$60 million, with capacity for the issuance of letters of credit, all in form and substance reasonably acceptable to the Consenting First Lien Creditors and Consenting Junior Lien Creditors, the substantially final form of which shall be filed as part of the Plan Supplement.

125. “*New Revolving Credit Facility*” means a senior secured credit facility up to a principal amount of \$60 million, with the capacity for the issuance of letters of credit, in form and substance reasonably acceptable to the Consenting First Lien Creditors and Consenting Junior Lien Creditors, entered into pursuant to the New Revolving Credit Facility Agreement.

126. “*New Second Lien Notes*” means new second lien secured notes to be issued under the Second Lien Notes Indenture on the Effective Date in exchange for the DIP Claims, the terms of which shall be consistent with the terms of the Second Lien Notes; *provided*, that (i) the interest rate of the New Second Lien Notes shall be 13.5% payment-in-kind, which shall become 11.5% cash pay once the consolidated total leverage ratio of the Reorganized Debtors reaches 5.0 to 1.0 and (ii) the stated maturity of the New Second Lien Notes shall be no earlier than 6 months after the maturity of the First Lien Notes.

127. “*Non-Debtor Affiliate*” means any Entity that is either directly or indirectly a wholly-owned subsidiary of Altegrity Holding Corp. that is not, or does not become before the Confirmation Date, a Debtor in the Chapter 11 Cases.

128. “*Notes*” means, collectively, the 2015 Senior Notes, the 2016 Senior Subordinated Notes, the First Lien Notes, the Second Lien Notes and the Third Lien Notes.

129. “*Notes Claims*” means, collectively, the 2015 Senior Notes Claims, the 2016 Senior Subordinated Notes Claims, the First Lien Notes Claims, the Second Lien Notes Claims and the Third Lien Notes Claims.

130. “*Ordinary Course Professional Order*” means the *Order Authorizing the Debtors to Retain and Compensate Professionals Utilized in the Ordinary Course of Business* [Docket No. 204].

131. “*Other Priority Claim*” means any Claim accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than: (a) an Administrative Claim or (b) a Priority Tax Claim.

132. “*Periodic Distribution Date*” means, unless otherwise ordered by the Bankruptcy Court, the first business day that is 120 days after the Initial Distribution Date and, for the first year thereafter, the first business day that is 120 days after the immediately preceding Periodic Distribution Date. After one year following the Initial Distribution Date, the Periodic Distribution Date will occur on the first business day that is 180 days after the immediately preceding Periodic Distribution Date.

133. “*Person*” has the meaning set forth in section 101(41) of the Bankruptcy Code.

134. “*Petition Date*” means February 8, 2015.

135. “*Plan*” means this *Joint Chapter 11 Plan of Altegrity Inc., et al.*, including the Plan Supplement, which is incorporated herein by reference.

136. “*Plan Supplement*” means the compilation of documents and forms of documents, schedules and exhibits to the Plan, which the Debtors shall use commercially reasonable efforts to cause to be filed seven (7) days prior to (but in no event later than) the deadline fixed for objecting to Confirmation or such later date as may be

approved by the Bankruptcy Court, and additional documents filed with the Bankruptcy Court before the Effective Date as amendments, modifications or supplements to the Plan Supplement, *provided that* for the avoidance of doubt, the Plan Supplement shall include the New Revolving Credit Facility Agreement, the intercreditor agreements referred to in Section 5.3(a), the First Lien Credit Facility Agreement Amendment, and the First Lien Notes Third Supplemental Indenture. The Debtors shall have the right to amend the documents contained in the Plan Supplement (other than the First Lien Debt Amendments, which may only be amended in accordance with their terms) through and including the Effective Date in accordance with Article XI hereof. Each document that is included in the Plan Supplement, and any supplements, amendments, or modifications thereto, shall be in form and substance reasonably satisfactory to the Debtors, the Consenting First Lien Creditors and the Consenting Junior Lien Creditors.

137. “*Priority Tax Claim*” means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

138. “*Pro Rata*” means, as applicable, the proportion that an Allowed Claim in a particular Class bears to the aggregate amount of Allowed Claims in that Class, or the proportion that all Allowed Claims in a particular Class bears to the aggregate amount of Allowed Claims in such Class and other Classes entitled to share in the same recovery under the Plan.

139. “*Professional*” means an Entity: (a) retained pursuant to a Final Order in accordance with sections 327, 363 or 1103 of the Bankruptcy Code and to be compensated for services rendered before or on the Confirmation Date, pursuant to sections 327, 328, 329, 330, 363 and 331 of the Bankruptcy Code or (b) awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

140. “*Professional Fee Escrow*” means an interest bearing escrow account to be funded on the Effective Date with Cash proceeds from the DIP Term Loan in an amount equal to all Accrued Professional Fee Claims; *provided, that*, the Professional Fee Escrow shall be increased to the extent fee applications are filed after the Effective Date in the amount thereof.

141. “*Proof of Claim*” means a proof of Claim filed against any of the Debtors in the Chapter 11 Cases.

142. “*Reinstated*” means, with respect to Claims and Interests, that the Claim or Interest shall be rendered unimpaired in accordance with section 1124 of the Bankruptcy Code.

143. “*Rejection Claim*” means a Claim arising from the rejection of an Executory Contract or Unexpired Lease pursuant to section 365 of the Bankruptcy Code.

144. “*Released Party*” means each of: (a) the Debtors and the Reorganized Debtors; (b) the current and former directors and officers of the Debtors; (c) the Indenture Trustees; (d) the First Lien Credit Agreement Agent; (e) the Consenting Interest Holders; (f) the Consenting First Lien Term Loan Lenders; (g) the Consenting First Lien Note Creditors; (h) the Consenting Second Lien Creditors; (i) the Consenting Third Lien Creditors; (j) the members of the Ad Hoc Group of First Lien Creditors; (k) the members of the Ad Hoc Group of Second and Third Lien Creditors, and (l) with respect to each of the foregoing Entities in clauses (a) through (j), such Entities’ subsidiaries, affiliates, members, officers, directors, agents, financial advisors, accountants, investment bankers, consultants, attorneys, employees, advisors, partners and representatives, in each case, only in their capacity as such.

145. “*Releasing Parties*” means all Entities who have held, hold or may hold Claims or Interests that have been released pursuant to Sections 9.2, 9.3 or 9.4, discharged pursuant to Section 9.6 or are subject to exculpation pursuant to Section 9.5.

146. “*Reorganized*” means, with respect to the Debtors, any Debtor or any successor thereto, by merger, consolidation or otherwise, on or after the Effective Date.

147. “*Reorganized Debtors’ Designee*” means the Person designated by the Reorganized Debtors to serve as a member of the Liquidating Debtors Plan Administrator Oversight Committee from and after the Effective Date and any successor to such Person selected by the Reorganized Debtors, *provided that* such Reorganized Debtors’ Designee shall be reasonably acceptable to the Consenting First Lien Creditors and the Consenting Junior Lien Creditors.

148. “*Reorganizing Debtor*” means each Debtor other than the Liquidating Debtors.

149. “*Reorganizing Debtors Unsecured Claims Warrant Pool*” means the Warrants, for purposes of disbursements to holders of Allowed Claims in Class A7.

150. “*Restructuring Support Agreement*” means that restructuring support agreement dated as of February 2, 2015 (including any amendments or waivers from time to time) entered into by the Consenting First Lien Notes Creditors, Consenting First Lien Term Loan Lenders, Consenting Interest Holders, Consenting Junior Lien Creditors and the Debtors and attached as Exhibit 1 to the *Order Authorizing the Debtors to Assume the Restructuring Support Agreement* [Docket No. 208].

151. “*Restructuring Transactions*” means one or more transactions pursuant to section 1123(a)(5)(D) of the Bankruptcy Code to occur on or before the Effective Date or as soon as reasonably practicable thereafter, that the Debtors or Reorganized Debtors, as applicable, with the consent of the Consenting Junior Creditors and the Consenting First Lien Creditors, such consent not to be unreasonably withheld, determine may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including: (a) the execution and delivery of appropriate agreements or other documents of merger, sale, consolidation, equity issuance, certificates of incorporation, operating agreements, bylaws, or other documents containing terms that are consistent with or reasonably necessary to implement the terms of the Plan and that satisfy the requirements of applicable law; (b) the execution and delivery of appropriate instruments of sale, transfer, equity issuance, assumption, or delegation of any property, right, liability, duty, or obligations on terms consistent with the terms of the Plan; and (c) all other actions that the Debtors or Reorganized Debtors, as applicable, with the consent of the Consenting Junior Creditors and the Consenting First Lien Creditors, such consent not to be unreasonably withheld, determine are necessary or appropriate to implement the Plan, including, without limitation, the liquidation and wind-down of the Liquidating Debtors. The Debtors, the Reorganized Debtors or the Liquidating Debtors, as the case may be, shall not effect any Restructuring Transactions without the consent of the Consenting First Lien Creditors and Consenting Junior Lien Creditors, which consent shall not be unreasonably withheld.

152. “*Schedules*” means, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases and statements of financial affairs filed by the Debtors pursuant to section 521 of the Bankruptcy Code and in substantial accordance with the Official Bankruptcy Forms.

153. “*SEC*” means the U.S. Securities and Exchange Commission.

154. “*Second Lien Distribution*” means 98% of the New Common Stock issued as of the Effective Date, which shall be subject to dilution by any New Common Stock issued in connection with the New Incentive Plan and any New Common Stock issued in connection with exercise of the Warrants.

155. “*Second Lien Notes*” means (i) the Senior Second Lien Secured 12.00% Cash Pay and 2.00% Pay-in-Kind Notes due 2020 and (ii) the Senior Second Lien Secured 10.50% Cash Pay and 2.50% Pay-in-Kind Notes due 2020, each issued by Altegrity pursuant to the Second Lien Notes Indenture.

156. “*Second Lien Notes Deficiency Claims*” means Allowed Unsecured Claims representing the portion of Second Lien Notes Claims that is not Secured.

157. “*Second Lien Notes Claims*” means any Claim arising under the Second Lien Notes.

158. “*Second Lien Notes Collateral Agent*” means Wilmington Trust, National Association or its duly appointed successor, in its capacity as collateral agent under the Second Lien Notes Indenture.

159. “*Second Lien Notes Indenture*” means the indenture providing for issuance of senior second lien secured notes in series, dated as of July 3, 2014, among Altegrity, the subsidiaries of Altegrity named as guarantors on the signature pages thereto and the Second Lien Notes Trustee, as well as any guarantees and other documents entered into in connection therewith, and as amended, supplemented, or otherwise modified from time to time.

160. “*Second Lien Notes Trustee*” means U.S. Bank National Association or its duly appointed successor, in its capacity as indenture trustee under the Second Lien Notes Indenture.

161. “*Secured*” means, when referring to a Claim: (a) secured by a Lien on property in which the Estate of the Debtor against which the Claim is asserted has an interest, which Lien is valid, perfected and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, to the extent of the value of the creditor’s interest in the Estate’s interest in such property as determined pursuant to section 506(a) of the Bankruptcy Code; (b) subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the property subject to setoff; or (c) otherwise Allowed pursuant to the Plan as a Secured Claim.

162. “*Segregated Account*” means that certain account holding \$110 million in proceeds from the sales of (a) the business of Debtor Kroll Factual Data, Inc. and (b) substantially all of the remaining Global Security & Solutions Division of Debtor US Investigation Services, LLC (including Labat-Anderson Incorporated and US Investigations Services, Professional Services Division, Inc.).

163. “*Senior Priority Documents*” means the Term Documents, the First Lien Note Documents and any Additional Documents in respect of any Senior Priority Obligations, as each foregoing capitalized term is defined in that certain Senior Intercreditor Agreement, dated as of July 3, 2014, by and among Goldman Sachs Bank USA, as Term Agent, Wilmington Trust, National Association, as First Lien Note Agent, Wilmington Trust, National Association, as Second Lien Note Agent, and Wilmington Trust, National Association, as Third Lien Note Agent.

164. “*Subsidiary Debtors*” means all of the Debtors other than Altegrity Holding Corp.

165. “*Third Lien Distribution*” means 2% of the New Common Stock issued as of the Effective Date, which shall be subject to dilution by any New Common Stock issued in connection with the New Incentive Plan and any New Common Stock issued in connection with exercise of the Warrants.

166. “*Third Lien Notes*” means the Senior Secured Third Lien 15% Notes due 2021, issued by Altegrity pursuant to the Third Lien Notes Indenture.

167. “*Third Lien Notes Claims*” means any Claim arising under the Third Lien Notes.

168. “*Third Lien Notes Deficiency Claims*” means Allowed Unsecured Claims representing the portion of Third Lien Notes Claims that is not Secured.

169. “*Third Lien Notes Indenture*” means the indenture providing for issuance of senior third lien secured notes in series, dated as of July 3, 2014, among Altegrity, the subsidiaries of Altegrity named as guarantors on the signature pages thereto and the Third Lien Notes Trustee, as well as any guarantees and other documents entered into in connection therewith, and as amended, supplemented, or otherwise modified from time to time.

170. “*Third Lien Notes Trustee*” means Wilmington Trust, National Association or its duly appointed successor, in its capacity as indenture trustee under the Third Lien Notes Indenture.

171. “*Unexpired Lease*” means a lease to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

172. “*Unimpaired*” means any Claim or Interest that is not designated as Impaired. For the avoidance of doubt, Unimpaired Classes are Classes A1, A2, A3, A6, A11, B1, B2, B3 and B8.

173. “*Unsecured Claims*” means any unsecured claim against any Debtor including (a) a General Unsecured Claim, (b) a 2015 Senior Notes Claim, (c) a 2016 Senior Subordinated Notes Claim, (d) an Insured Deficiency Claim, (e) any Second Lien Notes Deficiency Claim, (f) any Third Lien Notes Deficiency Claim, and (g) a Junior Subordinated Notes Claim.

174. “*U.S. Trustee*” means the United States Trustee for the District of Delaware.

175. “*Warrants*” means five-year warrants exercisable into New Common Stock representing up to 10% of the fully diluted equity of New Altegrity at a strike price that implies a \$1.7 billion total enterprise value for New Altegrity.

1.2 Rules of Interpretation

For purposes of this Plan: (a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and the neuter gender; (b) any reference herein to a contract, lease, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (c) any reference herein to an existing document or exhibit having been filed or to be filed shall mean that document or exhibit, as it may thereafter be amended, modified or supplemented; (d) unless otherwise specified, all references herein to “Articles” or “Sections” are references to Articles or Sections, as applicable, hereof or hereto; (e) unless otherwise stated, the words “herein,” “hereof” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan; (f) 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 hereof; (g) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; and (h) any immaterial effectuating provisions may be interpreted by the Reorganized Debtors in a manner that is consistent with the overall purpose and intent of the Plan all without further Bankruptcy Court order.

1.3 Computation of Time

The provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a transaction may occur pursuant to the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

1.4 Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of New York, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction and implementation of the Plan, any agreements, documents, instruments or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control); *provided, however*, that corporate governance matters relating to the Debtors or the Reorganized Debtors, as applicable, not incorporated in New York shall be governed by the laws of the jurisdiction of incorporation of the applicable Debtor or Reorganized Debtor, as applicable.

1.5 Reference to Monetary Figures

All references in the Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided.

1.6 Reference to the Debtors or the Reorganized Debtors

Except as otherwise specifically provided in the Plan to the contrary, references in the Plan to the Debtors or to the Reorganized Debtors shall mean the Debtors and the Reorganized Debtors, as applicable, to the extent the context requires.

1.7 Controlling Document

In the event of an inconsistency between the Plan and the Disclosure Statement, the terms of the Plan shall control in all respects. In the event of an inconsistency between the Plan and a Plan Supplement document, the terms of the Plan Supplement document shall control unless stated otherwise in such Plan Supplement document.

ARTICLE II

ADMINISTRATIVE CLAIMS, PRIORITY TAX CLAIMS, DIP CLAIMS AND STATUTORY FEES

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Priority Tax Claims and DIP Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III and shall receive the following treatment:

2.1 Administrative Claims

(a) Administrative Claims

Except with respect to Administrative Claims that are Claims for Accrued Professional Compensation and except to the extent that a holder of an Allowed Administrative Claim and the applicable Debtor or Reorganized Debtor agrees to less favorable treatment to such holder, each holder of an Allowed Administrative Claim shall be paid in full, in Cash, on the later of: (a) the Effective Date or as soon as reasonably practicable thereafter; (b) the first Business Day after the date that is ten (10) Business Days after the date such Administrative Claim becomes an Allowed Administrative Claim; (c) the date or dates agreed to by the Debtors and the Holder of the Allowed Administrative Claim; and (d) the date such Allowed Administrative Claim becomes due and payable by its terms, or as soon thereafter as is practicable. All distributions on account of Allowed Administrative Claims shall be made by the Debtors.

(b) Professional Compensation

(i) Claims for Accrued Professional Compensation

Professionals or other Entities asserting a Claim for Accrued Professional Compensation for services rendered before the Effective Date must file and serve on the Debtors and such other Entities who are designated by the Bankruptcy Rules, the Confirmation Order, the Interim Compensation Order or other order of the Bankruptcy Court an application for final allowance of such Claim for Accrued Professional Compensation no later than 45 days after the Effective Date; *provided* that the Reorganized Debtors may pay retained Professionals or other Entities in the ordinary course of business after the Effective Date without the need to file a final fee application. Objections to any Claim for Accrued Professional Compensation must be filed and served on the Reorganized Debtors, the Creditors' Committee, the U.S. Trustee and the requesting party no later than 75 days after the Effective Date.

(ii) Post- Effective Date Fees and Expenses

Upon the Effective Date, the Reorganized Debtors may employ and pay any Professional for services rendered or expenses incurred after the Effective Date in the ordinary course of business without any further notice to any party or action, order or approval of the Bankruptcy Court.

(iii) Professional Fee Escrow

On the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow. Funds held in the Professional Fee Escrow shall not be considered property of the Debtors' Estates or property of the Reorganized Debtors, but shall revert to the Reorganized Debtors after all Professional Fee Claims allowed by the Bankruptcy Court have been paid in full. The Professional Fee Escrow shall be held in trust for the Professionals and for no other parties until all Professional Fee Claims Allowed by the Bankruptcy Court have been paid in full. Professional

Fees owing to the Professionals shall be paid in Cash to such Professionals from funds held in the Professional Fee Escrow when such Claims are Allowed by an order of the Bankruptcy Court.

(c) Administrative Claim Bar Date

Except as otherwise provided in this Section 2.1, requests for payment of Administrative Claims must be filed and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than 45 days after the Effective Date. Holders of Administrative Claims that are required to, but do not, file and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped and enjoined from asserting such Administrative Claims against the Debtors or Reorganized Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date. Objections to such requests, if any, must be filed and served on the Reorganized Debtors and the requesting party no later than the Claims Objection Bar Date. Notwithstanding the foregoing, no request for payment of an Administrative Claim need be filed with respect to an Administrative Claim previously Allowed by Final Order, including all Administrative Claims expressly Allowed under this Plan.

Holders of Administrative Claims who are required to file a request for payment of such Administrative Claims and who do not file such a request for payment in accordance with this Section 2.1 shall be (a) forever barred and estopped from asserting such Administrative Claims against the Debtors, their respective Estates, Assets or properties and (b) forever enjoined from commencing or continuing any action to collect, offset, recoup or otherwise recover such Administrative Claims against the Debtors, their respective Estates, Assets or properties. Such Administrative Claims shall be deemed forever compromised, settled, and released as of the Effective Date.

The Debtors reserve the right to ask the Bankruptcy Court to establish an earlier deadline with respect to administrative claims against the Liquidating Debtors. If such an earlier deadline is established, separate notice will be provided.

2.2 Priority Tax Claims

Each holder of an Allowed Priority Tax Claim due and payable on or before the Effective Date shall receive, at the option of the Debtors, with the approval of the Consenting First Lien Creditors and Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld, in full and final satisfaction, settlement, release, and compromise of its Allowed Priority Tax Claim, one of the following treatments: (1) Cash in an amount equal to the amount of such Allowed Priority Tax Claim; (2) Cash in an aggregate amount of such Allowed Priority Tax Claim payable in installment payments over a period of time not to exceed five years after the Petition Date, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; or (3) such other treatment as may be agreed upon by such holder and the Debtors, with the approval of the Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld, or otherwise determined upon an order of the Bankruptcy Court.

Each Holder of an Allowed Priority Tax Claim shall receive the distribution set forth above, without interest, on or as soon as reasonably practicable after the latest of: (a) the Effective Date; (b) the first Business Day after the date that is ten (10) Business Days after the date such Allowed Priority Tax Claim becomes an Allowed Priority Tax Claim; (c) the date or dates agreed to by the Debtors and the Holder of the Allowed Priority Tax Claim; and (d) the date such Allowed Priority Tax Claim becomes due and payable by its terms, or as soon thereafter as is practicable. All distributions on account of Allowed Priority Tax Claims shall be made by the Debtors.

Any Claim or demand for a penalty relating to any Priority Tax Claim (other than a penalty of the type specified in Section 507(a)(8)(G) of the Bankruptcy Code) shall be Disallowed, and the Holder of a Priority Tax Claim shall not assess or attempt to collect such penalty from the Debtors, their respective Estates, Assets or properties.

2.3 DIP Claims

The DIP Claims shall be Allowed and deemed to be Allowed Claims in the amount of \$90 million plus any DIP PIK Interest. Holders of DIP Claims will receive, on the Effective Date, as indefeasible payment in full and

final satisfaction of the DIP Claims, New Second Lien Notes in the full Allowed amount of their Claims against the Reorganizing Debtors. The Second Lien Notes Indenture shall remain outstanding following the Effective Date to allow for the New Second Lien Notes to be issued, outstanding and governed thereunder, and all liens, security and ancillary documents related thereto (including but not limited to all Note Security Documents and the Senior Intercreditor Agreement (each as defined in the Second Lien Notes Indenture)) shall remain in full force and effect with respect to such New Second Lien Notes; *provided* that the assets of the Liquidating Debtors shall not secure the New Second Lien Notes.

2.4 Statutory Fees

The Debtors shall pay in full, in Cash, any fees due and owing to the U.S. Trustee, including quarterly fees payable under 28 U.S.C. § 1930(a)(6), plus interest due and payable under 31 U.S.C. § 3717 (if any), on all disbursements, including Plan payments and disbursements in and outside the ordinary course of the Debtors' business at the time of Confirmation. On and after the Effective Date, the Reorganized Debtors shall pay the applicable U.S. Trustee fees for each of the Reorganized Debtors when due in the ordinary course until such time as the Bankruptcy Court enters a final decree in such Reorganized Debtor's Chapter 11 Case.

ARTICLE III

CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

3.1 Classification of Claims and Interests; Elimination of Classes

Pursuant to sections 1122 and 1123 of the Bankruptcy Code, the following designates the Classes of Claims and Interests under the Plan. A Claim or Interest is in a particular Class for the purposes of voting on, and receiving distributions pursuant to, the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and such Claim or Interest has not been paid, released, withdrawn or otherwise settled before the Effective Date. A Claim or Interest shall be deemed classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class, and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Interest qualifies within the description of such different Class. Any Class of Claims that is not occupied as of the date of the Confirmation Hearing of the Plan by an Allowed Claim, or a Claim temporarily Allowed under Bankruptcy Rule 3018, and for which, on the Effective Date, there are no Disputed Claims in such Class pending, shall be deemed deleted from the Plan for all purposes.

3.2 Summary of Classification

This Plan constitutes a separate chapter 11 plan of reorganization for each Debtor, each of which shall include the classifications set forth below (and described in more detail in Section 3.3 below), except that Classes A1 through A7 and A9 through A11 shall be applicable only to the Reorganizing Debtors, Classes B1 through B8 shall be applicable only to the Liquidating Debtors, and Class A8 shall be applicable only to Altegrity, Inc. For the avoidance of doubt, to the extent a Class contains Allowed Claims or Interests with respect to a particular Debtor, such Class is designated with respect to such Debtor. To the extent there are no Allowed Claims or Interests with respect to a particular Debtor, such Class is deemed to be omitted with respect to such Debtor.

(a) Summary of Classification for the Reorganizing Debtors

The following chart represents the general classification of Claims and Interests for each Reorganizing Debtor pursuant to the Plan:

Class	Claim	Impairment	Entitled to Vote
A1	Reorganizing Debtors First Lien Credit Agreement Claims	Unimpaired	No (deemed to accept)
A2	Reorganizing Debtors First Lien Notes Claims	Unimpaired	No (deemed to accept)

Class	Claim	Impairment	Entitled to Vote
A3	Reorganizing Debtors Lien Claims	Unimpaired	No (deemed to accept)
A4	Reorganizing Debtors Secured Second Lien Notes Claims	Impaired	Yes
A5	Reorganizing Debtors Secured Third Lien Notes Claims	Impaired	Yes
A6	Reorganizing Debtors Other Priority Claims	Unimpaired	No (deemed to accept)
A7	Reorganizing Debtors Unsecured Claims	Impaired	Yes
A8	Altegrity, Inc. Junior Subordinated Notes Claims	Impaired	No (deemed to reject)
A9	Reorganizing Debtors Intercompany Claims	Plan Proponent	No (deemed to accept)
A10	Interests in Altegrity Holding Corp.	Impaired	No (deemed to reject)
A11	Interests in the Subsidiary Debtors that are Reorganizing Debtors	Plan Proponent	No (deemed to accept)

(b) Summary of Classification for the Liquidating Debtors

The following chart represents the general classification of Claims and Interests for each Liquidating Debtor:

Class	Claim	Impairment	Entitled to Vote
B1	Liquidating Debtors First Lien Credit Agreement Claims	Unimpaired	No (deemed to accept)
B2	Liquidating Debtors First Lien Notes Claims	Unimpaired	No (deemed to accept)
B3	Liquidating Debtors Lien Claims	Unimpaired	No (deemed to accept)
B4	Liquidating Debtors Secured Second Lien Notes Claims	Impaired	Yes
B5	Liquidating Debtors Secured Third Lien Notes Claims	Impaired	Yes
B6	Liquidating Debtors Other Priority Claims	Impaired	Yes
B7	Liquidating Debtors Unsecured Claims	Impaired	Yes
B8	Interests in the Liquidating Debtors	Plan Proponent	No (deemed to accept)

3.3 Classification and Treatment of Claims and Interests

To the extent a Class contains Allowed Claims or Interests with respect to any Debtor, the classification of Allowed Claims and Interests is specified below.

Reorganizing Debtors Classes

(a) Treatment of Class A1 – Reorganizing Debtors First Lien Credit Agreement Claims.

- (i) *Classification:* Class A1 consists of all First Lien Credit Agreement Claims against the Reorganizing Debtors.
- (ii) *Allowance:* Class A1 Claims shall be Allowed Claims pursuant to the Plan in the aggregate principal amount of not less than \$294,213,221, plus accrued but unpaid interest, fees, expenses, including any reasonable attorneys', accountants', appraisers', and financial advisors' fees and expenses that are chargeable or reimbursable under the Loan Documents (as defined in the Final DIP Order) and other amounts due in accordance with the terms of the First Lien Credit Agreement, and without giving effect to the obligations arising under Section 2.12 of the First Lien Credit Agreement, as of the Petition Date.
- (iii) *Treatment:* The legal, equitable and contractual rights of the holders of the First Lien Credit Agreement Claims against the Reorganizing Debtors are unaltered by this Plan. The First Lien Credit Agreement Claims shall be Reinstated upon the Effective Date.
- (iv) *Impairment and Voting:* Class A1 for each of the applicable Reorganizing Debtors is Unimpaired, and holders of Class A1 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class A1 Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such First Lien Credit Agreement Claims.

(b) Treatment of Class A2 – Reorganizing Debtors First Lien Notes Claims.

- (i) *Classification:* Class A2 consists of all First Lien Notes Claims against the Reorganizing Debtors.
- (ii) *Allowance:* Class A2 Claims shall be Allowed Claims pursuant to the Plan in the aggregate principal amount of \$825,000,000, plus accrued but unpaid interest, fees, expenses, including any reasonable attorneys', accountants', appraisers', and financial advisors' fees and expenses that are chargeable or reimbursable under the Loan Documents (as defined in the Final DIP Order) and other amounts due in accordance with the terms of the First Lien Notes Indenture, and without giving effect to the obligations arising under Section 602 of the First Lien Notes Indenture, as of the Petition Date.
- (iii) *Treatment:* The legal, equitable and contractual rights of the holders of the First Lien Notes Claims against the Reorganizing Debtors are unaltered by this Plan. The First Lien Notes Claims shall be Reinstated upon the Effective Date.
- (iv) *Impairment and Voting:* Class A2 for each of the applicable Debtors is Unimpaired, and holders of Class A2 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class A2 Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such First Lien Notes Claims.

(c) Treatment of Class A3 – Reorganizing Debtors Lien Claims.

- (i) *Classification:* Class A3 consists of all Lien Claims against the Reorganizing Debtors.
- (ii) *Treatment:* On or as soon as practicable after the Effective Date, each holder of an Allowed Claim in Class A3 for each of the applicable Reorganizing Debtors, in full and final satisfaction of its Secured Claim, shall receive one of the following treatments at the

option of the applicable Reorganizing Debtor (with the consent of the Consenting Junior Lien Creditors, which consent shall not be unreasonably withheld):

- A. payment of the Allowed Claim in full in Cash on the later of the Effective Date or as soon as practicable after a particular Claim becomes Allowed;
- B. such other treatment as may be agreed to by the applicable Reorganizing Debtor and the holder (with the consent of the Consenting Junior Lien Creditors, which consent shall not be unreasonably withheld); or
- C. the holder shall retain its Lien on such property and be Reinstated.

(iii) *Impairment and Voting:* Class A3 for each of the applicable Reorganizing Debtors is Unimpaired, and holders of Class A3 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class A3 Lien Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Lien Claims.

(d) Treatment of Class A4 – Reorganizing Debtors Secured Second Lien Notes Claims.

- (i) *Classification:* Class A4 consists of all Secured Second Lien Note Claims against the Reorganizing Debtors and the Liquidating Debtors.
- (ii) *Allowance:* Class A4 Claims shall be Allowed Claims pursuant to the Plan in the aggregate amount of \$519,265,011.85, plus fees, expenses and other amounts due in accordance with the terms of the Second Lien Notes Indenture, with the Secured portion of such Allowed Claim receiving treatment pursuant to this Class A4.
- (iii) *Treatment:* Each holder of Class A4 Claims, in full and complete satisfaction, discharge and release of the Secured portion of such Claims against the Reorganizing Debtors, shall receive its Pro Rata share of the Second Lien Distribution.
- (iv) *Impairment and Voting:* Class A4 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.

(e) Treatment of Class A5 – Reorganizing Debtors Secured Third Lien Notes Claims

- (i) *Classification:* Class A5 consists of all Secured Third Lien Notes Claims against the Reorganizing Debtors and the Liquidating Debtors.
- (ii) *Allowance:* Class A5 Claims shall be Allowed Claims pursuant to the Plan in the aggregate amount of \$66,304,133.00, plus fees, expenses and other amounts due in accordance with the terms of the Third Lien Notes Indenture, with the Secured portion of such Allowed Claim receiving treatment pursuant to this Class A5.
- (iii) *Treatment:* Each holder of Class A5 Claims, in full and complete satisfaction, discharge and release of the Secured portion of such Claims against the Reorganizing Debtors, shall receive its Pro Rata share of the Third Lien Distribution.
- (iv) *Impairment and Voting:* Class A5 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.

(f) Treatment of Class A6 – Reorganizing Debtors Other Priority Claims.

- (i) *Classification:* Class A6 consists of all Other Priority Claims against the Reorganizing Debtors.
- (ii) *Treatment:* Each holder of an Allowed Claim in Class A6 for each of the applicable Reorganizing Debtors shall receive, on or as soon as reasonably practicable after the Initial Distribution Date, in full and final satisfaction of its Claim, one of the following treatments on account of such Claim, determined at the option of the applicable Reorganizing Debtor, with the approval of the Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld:
 - A. payment of the Allowed Claim in full in Cash on the later of the Effective Date or as soon as practicable after such claim becomes Allowed; or
 - B. such other treatment as may be agreed to by the applicable Reorganizing Debtor and the holder, with the approval of the Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld.
- (iii) *Impairment and Voting:* Class A6 for each of the applicable Reorganizing Debtors is Unimpaired, and holders of Class A6 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class A6 Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Other Priority Claims.

(g) Treatment of Class A7 – Reorganizing Debtors Unsecured Claims

- (i) *Classification:* Class A7 consists of all (a) General Unsecured Claims, (b) 2015 Senior Notes Claims, (c) 2016 Senior Subordinated Notes Claims, (d) Second Lien Notes Deficiency Claims, and (e) Third Lien Notes Deficiency Claims, each as against the Reorganizing Debtors.
- (ii) *Treatment:* Except to the extent a holder of an Allowed Class A7 Claim agrees to less favorable treatment with the Debtors or the Reorganized Debtors, as applicable, in full and complete satisfaction, discharge and release of such Claims, each holder of an Allowed Class A7 Claim shall receive its Pro Rata share of the Warrants, subject to obligations of holders of 2016 Senior Subordinated Notes Claims under the “pay over” provisions set forth in the 2016 Senior Subordinated Notes Indenture.
- (iii) *Impairment and Voting:* Class A7 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.
- (iv) *Second Lien Notes Deficiency Claim and Third Lien Notes Deficiency Claim:* Notwithstanding that holders of Second Lien Notes Deficiency Claims and Third Lien Notes Deficiency Claims are entitled to vote, as part of the settlements and compromises set forth in the Plan, the holders of Second Lien Notes Deficiency Claims and Third Lien Notes Deficiency Claims will agree to waive, and shall be conclusively deemed to have waived, distributions of Warrants on account of such deficiency claims in Class A7. In calculating each holder’s Pro Rata share of the Warrants, Second Lien Notes Deficiency Claims and Third Lien Notes Deficiency Claims shall be excluded from both the numerator and the denominator.
- (v) *Turnover:* Pursuant to Section 510(a) of the Bankruptcy Code, in making distributions to holders of Claims in Class A7, the Disbursing Agent shall give effect to any and all subordination and “pay over” provisions set forth in the in the 2016 Senior Subordinated

Notes Indenture, with the effect that distributions of Warrants that otherwise would be payable to holders of 2016 Senior Subordinated Notes Claims shall instead be deemed paid to holders of Senior Indebtedness (as defined in the 2016 Senior Subordinated Notes Indenture). For the avoidance of doubt, the holders of Second Lien Notes and the holders of Third Lien Notes have not waived and shall not be deemed to have waived their right as a result of any such subordination and “pay over” provisions to receive all Plan consideration payable or otherwise distributable and shall retain the right to enforce such subordination and “pay over” provisions and be paid in full in Cash or otherwise prior to holders of 2016 Senior Subordinated Notes Claims receiving any payments or distributions from the Debtors or the Reorganized Debtors.

- (vi) *Section 12(g) of the Exchange Act:* If the number of holders of Warrants will exceed (A) 2,000 or more persons or (B) 500 or more persons who are not accredited investors such that New Altregrity would be required to register with the SEC under Section 12(g) of the Exchange Act, the Reorganized Debtors will provide a cashing-out program with respect to the Class A7 Reorganizing Debtors Unsecured Claims and the number of holders of Warrants will be reduced so as not to exceed such threshold. The Warrants will include transfer restrictions that will prevent such Warrants from being transferred if such transfer would result in registration under Section 12(g) of the Exchange Act.

(h) Treatment of Class A8 – Altregrity, Inc. Junior Subordinated Notes Claims.

- (i) *Classification:* Class A8 consists of the Junior Subordinated Notes Claims against Altregrity, Inc.
- (ii) *Allowance:* Class A8 Claims shall be Allowed Claims pursuant to the Plan in the aggregate amount of \$86,969,472.00.
- (iii) *Treatment:* Holders of Class A8 Claims shall not receive or retain any property on account of such Class A8 Claims, and all such Claims shall be cancelled and discharged.
- (iv) *Impairment and Voting:* Class A8 is Impaired. In accordance with section 1126(g) of the Bankruptcy Code, the holders of Class A8 Claims are conclusively presumed to reject the Plan and are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Claims.

(i) Treatment of Class A9 – Reorganizing Debtors Intercompany Claims.

- (i) *Classification:* Class A9 consists of the Intercompany Claims held by any Reorganizing Debtor against any other Reorganizing Debtor.
- (ii) *Treatment:* At the election of the applicable Reorganizing Debtor, with the approval of the Consenting First Lien Creditors and Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld, Intercompany Claims shall (A) be Reinstated, (B) remain in place subject to certain revised documentation, (C) be modified or cancelled as of the Effective Date, (D) include Cash payments to address the treatment of certain foreign obligations of the Company, or (E) with respect to certain Intercompany Claims in respect of goods, services, interest and other amounts that would have been satisfied in Cash directly or indirectly in the ordinary course of business had they not been outstanding as of the Petition Date, may be settled in Cash. The Plan Supplement shall set forth the applicable Debtor’s election with respect to the treatment of each Intercompany Claim.
- (iii) *Voting:* Class A9 for each of the applicable Reorganizing Debtors is Impaired. As proponents of the Plan, the holders of Class A9 Intercompany Claims are conclusively

presumed to accept the Plan and are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Claims.

(j) Treatment of Class A10 – Interests in Altegrity Holding Corp.

- (i) *Classification:* Class A10 consists of any and all Altegrity Holding Corp. Interests, and all Claims arising from or relating to Interests in Altegrity Holding Corp. that are subject to subordination under Section 510 of the Bankruptcy Code.
- (ii) *Treatment:* Holders of Class A10 Claims and Interests shall not receive or retain any property on account of such Class A10 Claims and Interests, and all such Claims and Interests shall be cancelled and discharged.
- (iii) *Impairment and Voting:* Class A10 Claims and Interests are Impaired. In accordance with section 1126(g) of the Bankruptcy Code, the holders of Class A10 Claims and Interests are conclusively presumed to reject the Plan and are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Claims and Interests.

(k) Treatment of Class A11 – Interests in the Subsidiary Debtors that are Reorganizing Debtors

- (i) *Classification:* Class A11 consists of any and all Interests in the Subsidiary Debtors that are Reorganizing Debtors.
- (ii) *Treatment:* At the option of the Debtors, with the approval of the Consenting First Lien Creditors and Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld, on the Effective Date, all Class A11 Interests shall either (A) be Reinstated and the legal, equitable and contractual rights to which Holders of such Allowed Interests are entitled shall remain unaltered so as to maintain the organizational structure of the Debtors as such structure existed on the Petition Date, (B) be cancelled, or (C) be transferred pursuant to the Plan.
- (iii) *Impairment and Voting:* Class A11 Interests are Impaired or Unimpaired. As proponents of the Plan, the holders of Class A11 Interests are conclusively presumed to accept the Plan and are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Interests.

Liquidating Debtors Classes

(l) Treatment of Class B1 – Liquidating Debtors First Lien Credit Agreement Claims.

- (i) *Classification:* Class B1 consists of all First Lien Credit Agreement Claims against the Liquidating Debtors.
- (ii) *Allowance:* Class B1 Claims shall be Allowed Claims pursuant to the Plan in the aggregate principal amount of not less than \$294,213,221, plus accrued but unpaid interest, fees, expenses, including any reasonable attorneys', accountants', appraisers', and financial advisors' fees and expenses that are chargeable or reimbursable under the Loan Documents (as defined in the Final DIP Order) and other amounts due in accordance with the terms of the First Lien Credit Agreement, and without giving effect to the obligations arising under Section 2.12 of the First Lien Credit Agreement, as of the Petition Date.
- (iii) *Treatment:* The legal, equitable and contractual rights of the holders of the First Lien Credit Agreement Claims against the Liquidating Debtors are unaltered by this Plan. The

First Lien Credit Agreement Claims shall be Reinstated upon the Effective Date and, in the course of the wind-down of the Liquidating Debtors, the proceeds of collateral, including any cash proceeds resulting from the sale or other monetization of all assets of the Liquidating Debtors subject to valid security interests with respect to such Claims, shall be applied in accordance with the terms of the Senior Priority Documents.

- (iv) *Impairment and Voting:* Class B1 for each of the applicable Liquidating Debtors is Unimpaired, and holders of Class B1 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class B1 Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such First Lien Credit Agreement Claims.

(m) Treatment of Class B2 – Liquidating Debtors First Lien Notes Claims.

- (i) *Classification:* Class B2 consists of all First Lien Notes Claims against the Liquidating Debtors.
- (ii) *Allowance:* Class B2 Claims shall be Allowed Claims pursuant to the Plan in the aggregate principal amount of \$825,000,000, plus accrued but unpaid interest, fees, expenses, including any reasonable attorneys’, accountants’, appraisers’, and financial advisors’ fees and expenses that are chargeable or reimbursable under the Loan Documents (as defined in the Final DIP Order) and other amounts due in accordance with the terms of the First Lien Notes Indenture, and without giving effect to the obligations arising under Section 602 of the First Lien Notes Indenture, as of the Petition Date.
- (iii) *Treatment:* The legal, equitable and contractual rights of the holders of the First Lien Notes Claims against the Liquidating Debtors are unaltered by this Plan. The First Lien Notes Claims shall be Reinstated upon the Effective Date and, in the course of the wind-down of the Liquidating Debtors, the proceeds of collateral, including any cash proceeds resulting from the sale or other monetization of all assets of the Liquidating Debtors subject to valid security interests with respect to such Claims, shall be applied in accordance with the terms of the Senior Priority Documents.
- (iv) *Impairment and Voting:* Class B2 for each of the applicable Liquidating Debtors is Unimpaired, and holders of Class B2 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class B2 Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such First Lien Notes Claims.

(n) Treatment of Class B3 – Liquidating Debtors Lien Claims.

- (i) *Classification:* Class B3 consists of all Lien Claims against the Liquidating Debtors.
- (ii) *Treatment:* On or as soon as practicable after the Effective Date, each holder of an Allowed Claim in Class B3 for each of the applicable Liquidating Debtors, in full and final satisfaction of its Secured Claim, shall receive one of the following treatments at the option of the applicable Liquidating Debtor (with the consent of the Consenting Junior Lien Creditors, which consent shall not be unreasonably withheld):
 - A. the collateral securing such Allowed Secured Claim;
 - B. cash in an amount equal to the value of the collateral securing such Allowed Secured Claim; or

C. such other treatment required under section 1124(2) of the Bankruptcy Code for such Claim to be rendered unimpaired within the meaning of section 1124 of the Bankruptcy Code.

(iii) *Impairment and Voting:* Class B3 for each of the applicable Liquidating Debtor is Unimpaired, and holders of Class B3 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Class B3 Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Liquidating Debtors Lien Claims.

(o) Treatment of Class B4 – Liquidating Debtors Secured Second Lien Notes Claims.

(i) *Classification:* Class B4 consists of all Secured Second Lien Note Claims against the Liquidating Debtors.

(ii) *Allowance:* Class B4 Claims shall be Allowed Claims pursuant to the Plan in the aggregate amount of \$519,265,011.85, plus fees, expenses and other amounts due in accordance with the terms of the Second Lien Notes Indenture, with the Secured portion of such Allowed Claim receiving treatment pursuant to this Class B4.

(iii) *Treatment:* Except to the extent a holder of an Allowed Class B4 Claim agrees to less favorable treatment with the Liquidating Debtors, in full and complete satisfaction, discharge and release of the Secured portion of such Claims against the Liquidating Debtors, holders of Allowed Class B4 Claims shall receive their Pro Rata share of distributions of proceeds of collateral, *provided* that such proceeds and related distributions shall be treated in accordance with the terms of the Second Lien Notes Indenture, including any intercreditor provisions related to the First Lien Credit Agreement and the First Lien Notes Indenture.

(iv) *Impairment and Voting:* Class B4 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.

(p) Treatment of Class B5 – Liquidating Debtors Secured Third Lien Notes Claims

(i) *Classification:* Class B5 consists of all Secured Third Lien Notes Claims against the Liquidating Debtors.

(ii) *Allowance:* Class B5 Claims shall be Allowed Claims pursuant to the Plan in the aggregate amount of \$66,304,133.00, plus fees, expenses and other amounts due in accordance with the terms of the Third Lien Notes Indenture, with the Secured portion of such Allowed Claim receiving treatment pursuant to this Class B5.

(iii) *Treatment:* Except to the extent a Holder of an Allowed Class B5 Claim agrees to less favorable treatment with the Liquidating Debtors, in full and complete satisfaction, discharge and release of the Secured portion of such Claims against the Liquidating Debtors, holders of Allowed Class B5 Claims shall receive their Pro Rata share of distributions of proceeds of collateral, *provided* that such proceeds and related distributions shall be treated in accordance with the terms of the Third Lien Notes Indenture, including any intercreditor provisions related to the First Lien Credit Agreement, the First Lien Notes Indenture and the Second Lien Notes Indenture.

(iv) *Impairment and Voting:* Class B5 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.

(q) Treatment of Class B6 – Liquidating Debtors Other Priority Claims.

- (i) *Classification:* Class B6 consists of all Other Priority Claims against the Liquidating Debtors.
- (ii) *Treatment:* Except to the extent a holder of an Allowed Class B6 Claim agrees to less favorable treatment with the Debtors or the Liquidating Debtors, as applicable (which agreement shall be subject to the approval of the Consenting Junior Lien Creditors, which shall not be unreasonably withheld), in full and complete satisfaction, discharge and release of such Claims, holders of Allowed Class B6 Claims shall receive their Pro Rata share of distributions in accordance with the payment waterfall set forth with respect to the Liquidating Debtors Unsecured Claims Distribution Pool set forth in Section 8.9 hereof.
- (iii) *Impairment and Voting:* Class B6 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.

(r) Treatment of Class B7 – Liquidating Debtors Unsecured Claims

- (i) *Classification:* Class B7 consists of all Liquidating Debtors Unsecured Claims.
- (ii) *Treatment:* Except to the extent a holder of an Allowed Class B7 Claim agrees to less favorable treatment with the Liquidating Debtors, in full and complete satisfaction, discharge and release of such Liquidating Debtors Unsecured Claims, each holder of an Allowed Class B7 Claim shall receive its Pro Rata share of distributions in accordance with the payment waterfall set forth with respect to the Liquidating Debtors Unsecured Claims Distribution Pool set forth in Section 8.9 hereof.
- (iii) *Impairment and Voting:* Class B7 Claims are Impaired and the Holders thereof are entitled to vote on the Plan.
- (iv) *Turnover:* Pursuant to Section 510(a) of the Bankruptcy Code, in making distributions to holders of Claims in Class B7, the Disbursing Agent shall give effect to any and all subordination, turnover and “pay over” provisions set forth in the 2016 Senior Subordinated Notes Indenture, with the effect that any distributions that otherwise would be payable to holders of 2016 Senior Subordinated Notes Claims shall instead be deemed paid to holders of Senior Indebtedness (as defined in the 2016 Senior Subordinated Notes Indenture). For the avoidance of doubt, the holders of Second Lien Notes and the holders of Third Lien Notes have not waived and shall not be deemed to have waived their right as a result of any such subordination, turnover and “pay over” provisions to receive all Plan consideration payable or otherwise distributable and shall retain the right to enforce such subordination and “pay over” provisions and to be paid in full in Cash or otherwise prior to holders of 2016 Senior Subordinated Notes Claims receiving any payments or distributions from the Debtors or the Liquidating Debtors.

(s) Treatment of Class B8 – Interests in the Liquidating Debtors

- (i) *Classification:* Class B8 consists of any and all Interests in the Liquidating Debtors.
- (ii) *Treatment:* At the option of the Debtors, with the approval of the Consenting Junior Lien Creditors, which approval shall not be unreasonably withheld, on the Effective Date, all Class B8 Interests shall either (A) be Reinstated and the legal, equitable and contractual rights to which Holders of such Allowed Interests are entitled shall remain unaltered so as to maintain the organizational structure of the Liquidating Debtors as such structure existed on the Petition Date, (B) be cancelled, or (C) be transferred pursuant to the Plan.

- (iii) *Impairment and Voting:* Class B8 Interests are Unimpaired or Impaired. As proponents of the Plan, the holders of Class B8 Interests are conclusively presumed to accept the Plan and are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Interests.

3.4 Subordinated Claims

For the avoidance of doubt, the allowance, classification, and treatment of all Allowed Claims and the respective distributions and treatments under the Plan shall take into account and conform to the relative priorities and rights of the Claims in each Class in connection with any contractual, legal, and equitable subordination rights or turn-over provisions relating thereto, whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code, the underlying documentation related to such Claims, or otherwise. Except with respect to the Allowed First Lien Credit Agreement Claims, Allowed First Lien Notes Claims, Allowed Second Lien Notes Claims, Allowed Third Lien Notes Claims, and DIP claims, or as otherwise specifically provided for in this Plan, pursuant to section 510 of the Bankruptcy Code, the Debtors reserve the right to re-classify any Allowed Claim in accordance with any contractual, legal, or equitable subordination relating thereto.

ARTICLE IV

ACCEPTANCE REQUIREMENTS

4.1 Acceptance or Rejection of the Plan

(a) Voting Class

Classes A4, A5, A7, B4, B5, B6, and B7 are Impaired under the Plan and are entitled to vote to accept or reject the Plan.

(b) Presumed Acceptance of the Plan

Classes A1, A2, A3, A6, B1, B2, and B3 are Unimpaired under the Plan and are, therefore, conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Classes A9, A11, and B8 for each of the applicable Debtors are presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code because all holders of Claims in Class A9 for each of the applicable Debtors and holders of Interests in A11 and B8 for each of the applicable Subsidiary Debtors are Plan proponents.

(c) Presumed Rejection of the Plan

Classes A8 and A10 are not entitled to receive or retain any property under the Plan and are, therefore, conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code.

4.2 Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of the Plan by an Impaired Class of Claims. The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right, with the approval of the Consenting Junior Lien Creditors and the Consenting First Lien Creditors, to modify the Plan in accordance with Article XI hereof to the extent, if any, that confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

4.3 Elimination of Vacant Classes

Any Class or sub-Class of Claims or Interests that is not occupied as of the date of the commencement of the Confirmation Hearing by at least one Allowed Claim or Allowed Interest, as applicable, or at least one Claim or Interest, as applicable, temporarily Allowed under Bankruptcy Rule 3018, shall be deemed deleted from the Plan for

purposes of (i) voting on the acceptance or rejection of the Plan and (ii) determining acceptance or rejection of the Plan by such Class under section 1129(a)(8) of the Bankruptcy Code.

ARTICLE V

MEANS FOR IMPLEMENTATION OF THE PLAN

5.1 Continued Corporate Existence and Vesting of Assets in Debtors

(a) Corporate Existence

Except as otherwise provided in this Plan, in the Corporate Governance Documents or elsewhere in the Plan Supplement, each Debtor, as reorganized, shall continue to exist after the Effective Date as a separate corporate entity, limited liability company, partnership or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Reorganizing Debtor is incorporated or formed. The Corporate Governance Documents shall be in the form filed with the Plan Supplement. On or after the Effective Date, each Reorganized Debtor, in its discretion, may take such action as permitted by applicable law and such Reorganized Debtor's organizational documents, as such Reorganized Debtor may determine is reasonable and appropriate, including, but not limited to, causing: (i) a Reorganized Debtor to be merged into another Reorganized Debtor, or its Subsidiary or affiliate; (ii) a Reorganized Debtor to be dissolved; (iii) the legal name of a Reorganized Debtor to be changed; or (iv) the closure of a Reorganized Debtor's case on the Effective Date or any time thereafter. For the avoidance of doubt, any such actions shall be consented to in accordance with, or be in compliance with, the New Second Lien Note Facility and the New Revolving Credit Facility.

(b) New Corporate Governance Documents

On or immediately before the Effective Date, each of the Reorganized Debtors will file, as necessary, their respective Corporate Governance Documents with the applicable Secretaries of State and/or other applicable authorities in their respective jurisdictions of incorporation or in accordance with the corporate laws of the respective jurisdiction of incorporation. After the Effective Date, each of the Reorganized Debtors may amend and restate their respective Corporate Governance Documents and other constituent documents as permitted by the laws of their respective jurisdictions of incorporation and their respective Corporate Governance Documents. The Corporate Governance Documents shall be included in the Plan Supplement.

(c) Vesting of Assets in the Reorganized Debtors

Except as otherwise provided in the Plan or any agreement, instrument or other document incorporated therein, on the Effective Date all property in each Estate and all Causes of Action (except those released pursuant to the releases by the Debtors in Section 9.2 hereof) shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges or other encumbrances (except for Liens, if any, granted to secure the New Revolving Credit Facility Agreement and Liens securing claims arising under the First Lien Credit Agreement, the First Lien Notes and the New Second Lien Notes). On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire or dispose of property and compromise or settle any Claims, Interests or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules other than restrictions expressly imposed by this Plan or the Confirmation Order. Without limiting the foregoing, the Reorganized Debtors may pay the charges that they incur on or after the Effective Date for Professionals' fees, disbursements, expenses or related support services without application to the Bankruptcy Court.

(d) Further Actions

On the Effective Date or as soon as reasonably practicable thereafter, and without the necessity of an order from the Bankruptcy Court, the Reorganized Debtors may take all actions that may be necessary or appropriate to effectuate any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including:

(1) the execution and delivery of appropriate agreements or other documents of merger, consolidation, restructuring, conversion, disposition, transfer, dissolution or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable law and any other terms which the applicable entities may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, debt or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (3) the filing of appropriate certificates or articles of incorporation (or other similar organizational documents), reincorporation, merger, consolidation, conversion or dissolution pursuant to applicable state law; and (4) all other actions that the applicable entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law; *provided* that all such actions are consented to by the Consenting Junior Lien Creditors, after consultation with the Consenting First Lien Creditors.

(e) Severance from Plan

If, prior to Confirmation of the Plan, the Debtors determine, with the consent of the Consenting Junior Lien Creditors, after consultation with the Consenting First Lien Creditors, to seek confirmation of the Plan only with respect to the Reorganizing Debtors, then each Liquidating Debtor shall be severed from the Plan and the Plan shall not apply to each Liquidating Debtor.

5.2 General Settlement of Claims and Interests

As discussed in the Disclosure Statement and as otherwise provided herein, as one element of, and in consideration for, an overall negotiated settlement of numerous disputed Claims and issues embodied in the Plan, pursuant to Bankruptcy Rule 9019 and section 1123 of the Bankruptcy Code and in consideration for the classification, distributions, releases and other benefits provided under the Plan, the provisions of the Plan shall upon Consummation constitute a good faith compromise and settlement of all Claims, Interests and controversies resolved pursuant to the Plan. Subject to Article VII, all distributions made to holders of Allowed Claims and Interests in any Class are intended to be and shall be final.

5.3 New Revolving Credit Facility Agreement/Incurrence of New Indebtedness and Agreed Pay-down on First Lien Indebtedness

(a) New Revolving Credit Facility Agreement/Incurrence of New Indebtedness

On the Effective Date, each of the Reorganized Debtors is authorized to enter into the New Revolving Credit Facility Agreement (which shall be on terms consistent with the Restructuring Support Agreement and reasonably acceptable to the Consenting First Lien Creditors) and complete the transactions contemplated by the New Revolving Credit Facility in order to provide funding to the Reorganized Debtors' business operations, and the Debtors shall be authorized to execute and deliver those documents necessary or appropriate to obtain the New Revolving Credit Facility, without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order or rule or vote, consent, authorization or approval of any person. In connection with the New Revolving Credit Facility, the First Lien Credit Agreement Agent, the First Lien Notes Collateral Agent and the Second Lien Notes Collateral Agent will enter into one or more intercreditor agreements on market terms, in form and substance reasonably acceptable to the Consenting First Lien Term Loan Lenders and the Consenting Junior Lien Creditors, which will, among other things, provide for a repurchase right at par solely for the benefit of the lenders party to the First Lien Credit Agreement if there is an event of default under the New Revolving Credit Facility.

(b) Agreed Pay-down on First Lien Indebtedness

The Reorganized Debtors shall, pursuant to the terms and conditions of the First Lien Credit Agreement and the First Lien Notes Indenture, within five (5) Business Days after the entry of the Confirmation Order make par offers to ratably repurchase an aggregate \$110 million of First Lien Indebtedness, which repurchases shall be consummated on the Effective Date from release of Cash in the Segregated Account. Upon completion of the repurchases, any remaining Cash in the Segregated Account shall be available to the Reorganized Debtors in

accordance with the permitted uses under the First Lien Credit Agreement, First Lien Notes Indenture, and Second Lien Notes Indenture, and no further segregation shall be required.

5.4 Sources of Consideration for Plan Distribution

(a) Cash Consideration

All Cash consideration necessary for the Reorganized Debtors to make payments or distributions pursuant hereto shall be obtained from: (i) the Reorganizing Debtors' Cash on hand as of the Effective Date (including Cash derived from business operations), (ii) the proceeds of the DIP Term Loan, (iii) the proceeds of the New Revolving Credit Facility, to the extent necessary, and (iv) the Cash released to the Reorganized Debtors from the Segregated Account. Further, the Debtors and the Reorganized Debtors will be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable the Reorganized Debtors to satisfy their obligations under the Plan. Except as set forth herein, any changes in the intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the Debtors' historical intercompany account settlement practices and will not violate or otherwise be affected by the terms of the Plan.

(b) Issuance of New Common Stock

On the Effective Date, New Altegrity shall issue New Common Stock for distribution to the holders of Allowed Claims in Class A4 and Class A5 pursuant to the terms set forth herein. New Common Stock shall also be reserved for (a) the New Incentive Plan and (b) the future exercise of the Warrants. All of the shares of New Common Stock issued pursuant to the Plan shall be duly authorized, validly issued, fully paid and non-assessable. Each distribution and issuance referred to in Article III shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

5.5 Restructuring Transactions

On the Effective Date or as soon as reasonably practicable thereafter, the Debtors, with the consent of the Consenting Junior Creditors and the Consenting First Lien Creditors, such consent not to be unreasonably withheld, may take all actions as may be necessary or appropriate to effectuate any transaction described in, approved by, contemplated by, or necessary to effectuate the Restructuring Transactions under and in connection with the Plan. The Restructuring Transactions may include one or more inter-company mergers, consolidations, amalgamations, arrangements, continuances, restructurings, conversions, dissolutions, transfers, liquidations, or other corporate transactions as may be determined by the Debtors, with the consent of the Consenting Junior Creditors and the Consenting First Lien Creditors, such consent not to be unreasonably withheld, to be necessary. The actions to implement the Restructuring Transactions may include: (1) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable Entities may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable Entities agree; (3) the filing of appropriate certificates or articles of incorporation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable state law; and (4) all other actions that the applicable Entities determine to be necessary, with the consent of the Consenting Junior Creditors and Consenting First Lien Creditors, such consent not to be unreasonably withheld, including making filings or recordings that may be required by applicable law in connection with the Plan. For the purposes of effectuating the Plan, none of the Restructuring Transactions shall constitute a change of control under any agreement, contract, or document of the Debtors.

5.6 Section 1145 Exemption

The issuance of the New Common Stock and Warrants to be distributed pursuant to the Plan to holders of Claims shall be authorized under section 1145 of the Bankruptcy Code as of the Effective Date without further act or action by any person, unless required by provision of applicable law, regulation, order or rule. Holders of New Common Stock issued in respect of Allowed Claims will be provided with reasonable and customary registration rights, to be set forth in more detail in the Plan Supplement, solely to the extent such New Common Stock may not be transferred without restriction pursuant to Rule 144 or is otherwise not freely saleable under the securities laws notwithstanding section 1145 of the Bankruptcy Code.

5.7 Cancellation of Securities and Agreements

On the Effective Date, except as otherwise specifically provided for in the Plan or in the First Lien Debt Amendments: (1) the obligations of the Debtors under the 2015 10.50% Senior Notes, 2015 12.00% Senior Notes, 2016 Senior Subordinated Notes, DIP Loan Agreement, Junior Subordinated Notes, Second Lien Notes, Third Lien Notes, and any other certificate, share, note, bond, indenture, purchase right, option, warrant or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors giving rise to any Claim or Interest (except for such certificates, notes or other instruments or documents evidencing indebtedness or obligations of the Debtors that are specifically reinstated pursuant to the Plan), shall be cancelled as to the Debtors and the Debtors shall not have any continuing obligations thereunder and (2) the obligations of the Debtors pursuant, relating or pertaining to any agreements, indentures, certificates of designation, bylaws or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, purchase rights, options, warrants or other instruments or documents evidencing or creating any indebtedness or obligations of the Debtors (except such agreements, certificates, notes or other instruments evidencing indebtedness or obligations of the Debtors that are specifically reinstated pursuant to the Plan) shall be released and discharged; *provided, however*, notwithstanding Confirmation or the occurrence of the Effective Date, that any such indenture or agreement that governs the rights of the holder of a Claim shall continue in effect solely for purposes of (a) allowing holders of Second Lien Notes Claims, Third Lien Notes Claims and DIP Claims (as applicable) to receive distributions under the Plan as provided herein, (b) allowing the Indenture Trustees, if applicable, to make distributions under the Plan as provided herein, and deduct therefrom such compensation, fees and expenses due thereunder or incurred in making such distributions and (c) allowing the Indenture Trustees to seek compensation and/or reimbursement of fees and expenses in accordance with the terms of this Plan; *provided, further, however*, that the preceding proviso shall not affect the discharge of Claims or Interests pursuant to the Bankruptcy Code, the Confirmation Order or the Plan, or result in any expense or liability to the Reorganized Debtors, except to the extent set forth in or provided for under this Plan. Notwithstanding the foregoing, the Second Lien Notes Indenture shall remain outstanding following the Effective Date to allow for the New Second Lien Notes to be issued, outstanding and governed thereunder, and all liens, security and ancillary documents related thereto (including but not limited to all Note Security Documents and the Senior Intercreditor Agreement (each as defined in the Second Lien Notes Indenture)) shall remain in full force and effect with respect to such New Second Lien Notes; *provided* that the assets of the Liquidating Debtors shall not secure the New Second Lien Notes. On and after the Effective Date, all duties and responsibilities of the Indenture Trustees (other than the First Lien Notes Trustee and the Second Lien Notes Trustee) under the Indentures, as applicable, shall be discharged except to the extent required in order to effectuate the Plan.

5.8 Surrender of Existing Securities

As a condition precedent to receiving any distribution on account of any Note, each record holder of any Note shall be deemed to have surrendered such Notes or other documentation underlying such Note and all such surrendered Notes and other documents shall be deemed to be cancelled in accordance with Section 5.7 of the Plan.

5.9 Boards of Directors and Officers of the Reorganizing Debtors

(a) Boards of Directors

On the Effective Date, the New Board of New Altegrity will consist of five (5) directors, one of which shall be the chief executive officer and the remaining four (4) directors shall be designated by the holders of a majority of

the New Common Stock. To the extent known, the identity of the members of the New Boards of New Altegrity and of each of the other Reorganized Debtors and the nature and compensation for any member of a New Board who is an “insider” under section 101(31) of the Bankruptcy Code will be identified in the Plan Supplement but, in any event, shall be disclosed at or before the Confirmation Hearing.

(b) Officers

To the extent known, officers of New Altegrity and each of the other Reorganized Debtors shall be identified in the Plan Supplement but, in any event, shall be disclosed at or before the Confirmation Hearing. Such officers shall serve in accordance with applicable non-bankruptcy law and, to the extent applicable, the New Employment Agreements with New Altegrity and each of the other Reorganized Debtors.

5.10 Employee Benefits

Except as otherwise provided herein, on and after the Effective Date, the Reorganized Debtors may honor, in the ordinary course of business, any prepetition contracts, agreements, policies, programs and plans for, among other things, compensation (other than prepetition equity-based compensation related to Interests, which shall be cancelled as provided for pursuant to the Plan), health care benefits, disability benefits, deferred compensation benefits, travel benefits, vacation benefits, savings plans, severance benefits, welfare benefits, workers’ compensation insurance, life insurance and accidental death and dismemberment insurance for the directors, officers and employees of any of the Debtors who served in such capacity at any time; *provided, however*, that the Debtors’ or Reorganized Debtors’ performance under any employment agreement will not entitle any person to any benefit or alleged entitlement under any contract, agreement, policy, program or plan that has expired or been terminated before the Effective Date, or restore, reinstate or revive any such benefit or alleged entitlement under any such contract, agreement, policy, program or plan. Nothing herein shall limit, diminish or otherwise alter the Reorganized Debtors’ defenses, claims, Causes of Action or other rights with respect to any such contracts, agreements, policies, programs and plans, including the Reorganized Debtors’ rights to modify unvested benefits pursuant to their terms.

5.11 Retiree Benefits

All employment, retirement and other agreements or arrangements in place as of the Effective Date with the Debtors’ officers, directors, or employees who will continue in such capacities or similar capacities after the Effective Date, or retirement income plans and welfare benefit plans for such persons, shall remain in place after the Effective Date, and the Reorganized Debtors will continue to honor such agreements, arrangements, programs and plans; *provided, however*, that the foregoing shall not apply to any stock based compensation or incentive plan, agreement, or arrangement existing as of the Petition Date. Nothing in the Plan shall limit, diminish, or otherwise alter the Reorganized Debtors’ defenses, claims Causes of Action, or other rights with respect to any such contracts, agreements, policies, programs, and plans. Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, on and after the Effective Date, all retiree benefits (as such term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid in accordance with applicable law.

5.12 Corporate Action

Upon the Effective Date, all actions contemplated by the Plan shall be deemed authorized and approved in all respects, including (1) entry into the New Employment Agreements; (2) selection of the directors and officers of the Reorganized Debtors; (3) the execution of and entry into the New Revolving Credit Facility Agreement; (4) the issuance of New Second Lien Notes; (5) the distribution of the New Common Stock and Warrants as provided herein; and (6) all other actions contemplated by the Plan (whether to occur before, on or after the Effective Date). All matters provided for in the Plan involving the corporate structure of the Debtors or the Reorganized Debtors, and any corporate action required by the Debtors or the Reorganized Debtors in connection with the Plan shall be deemed to have occurred and shall be in effect, without any requirement of further action by the directors or officers of the Debtors or the Reorganized Debtors.

5.13 Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors and the managers, officers and members of the boards of directors thereof are authorized to issue, execute, deliver, file or record such contracts, securities, instruments, releases and other agreements or documents related to the foregoing and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan (including the New Revolving Credit Facility) and the securities issued pursuant to the Plan in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization or consents except for those expressly required pursuant to the Plan. The authorizations and approvals contemplated by this section shall be effective notwithstanding any requirements under non-bankruptcy law.

5.14 Section 1146 Exemption from Certain Taxes and Fees

Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Plan shall not be subject to any stamp tax or other similar tax or governmental assessment in the United States, and the Confirmation Order shall direct and be deemed to direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation instruments or other documents pursuant to such transfers of property without the payment of any such tax or governmental assessment. Such exemption specifically applies, without limitation, to (1) the creation of any mortgage, deed of trust, lien or other security interest; (2) the making or assignment of any lease or sublease; (3) any restructuring transaction authorized by this Plan; or (4) the making or delivery of any deed or other instrument of transfer under, in furtherance of or in connection with the Plan, including: (a) any merger agreements; (b) agreements of consolidation, restructuring, disposition, liquidation or dissolution; (c) deeds; or (d) assignments executed in connection with any transaction occurring under or pursuant to the Plan.

5.15 D&O Liability Insurance Policies

Notwithstanding anything herein to the contrary, as of the Effective Date, the Debtors shall assume (and assign to the Reorganized Debtors if necessary to continue the D&O Liability Insurance Policies in full force) all of the D&O Liability Insurance Policies pursuant to section 365(a) of the Bankruptcy Code. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Debtors' foregoing assumption of each of the D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained herein, Confirmation of the Plan shall not discharge, impair or otherwise modify any obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such obligation shall be deemed and treated as an Executory Contract that has been assumed by the Debtors under the Plan as to which no Proof of Claim need be filed. On or before the Effective Date, the Reorganized Debtors shall obtain reasonably sufficient tail coverage (*i.e.*, D&O insurance coverage that extends beyond the end of the policy period) under a directors and officers' liability insurance policy for the current and former directors, officers and managers for a period of five years, and placed with such insurers, the terms of which shall be set forth in the Plan Supplement.

5.16 Preservation of Rights of Action

In accordance with section 1123(b) of the Bankruptcy Code, and except where such Causes of Action have been expressly released (including, for the avoidance of doubt, pursuant to the Releases by the Debtors provided by Section 9.2 hereof), the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, and the Reorganized Debtors' rights to commence, prosecute or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. The Reorganized Debtors may pursue such Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors. No Entity may rely on the absence of a specific reference in the Plan or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or Reorganized Debtors, as applicable, will not pursue any and all available Causes of Action against such Entity. **The Debtors and the Reorganized Debtors (including, for the avoidance of doubt, both the Liquidating Debtors and the Reorganizing Debtors) expressly reserve all rights to prosecute any and all Causes of Action, including with respect to rejected Executory Contracts and Unexpired Leases, against any Entity, except as otherwise expressly provided in the Plan.** Except with respect to Causes of Action as to which the Debtors or Reorganized Debtors have released any Person or Entity on or before the Effective Date (including

pursuant to the Releases by the Debtors or otherwise), the Debtors or Reorganized Debtors, as applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan. Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised or settled in the Plan or a Bankruptcy Court order, the Reorganized Debtors expressly reserve all Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches, shall apply to such Causes of Action upon, after or as a consequence of the Confirmation or Consummation.

5.17 Single Satisfaction of Claims

Holders of Allowed Claims may assert such Claims against each Debtor obligated with respect to such Claims, and such Claims shall be entitled to share in the recovery provided for the applicable Class of Claims against each obligated Debtor based upon the full Allowed amount of such Claims. Notwithstanding the foregoing, in no case shall the aggregate value of all property received or retained under the Plan on account of any Allowed Claim exceed 100% of the underlying Allowed Claim plus applicable interest, if any.

ARTICLE VI

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

6.1 Assumption and Rejection of Executory Contracts and Unexpired Leases

Except as otherwise provided herein, or in any contract, instrument, release, indenture or other agreement or document entered into in connection with the Plan, each of Altegrity Holding Corp.'s and the Subsidiary Debtors' Executory Contracts and Unexpired Leases shall be deemed assumed as of the Effective Date, unless such Executory Contract or Unexpired Lease: (1) was assumed or rejected previously by the Debtors; (2) previously expired or terminated pursuant to its own terms; (3) is the subject of a motion to assume or reject filed on or before the Effective Date; or (4) is identified as an Executory Contract or Unexpired Lease to be rejected pursuant to the Plan Supplement before the Effective Date. Unless transferred to another Debtor before the Effective Date, each of the Liquidating Debtors' Executory Contracts and Unexpired Leases shall be deemed rejected as of the Effective Date.

Entry of the Confirmation Order shall constitute a Bankruptcy Court order approving the assumptions or rejections of such Executory Contracts or Unexpired Leases as set forth in the Plan, all pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Unless otherwise indicated, all assumptions or rejections of Executory Contracts and Unexpired Leases pursuant to the Plan are effective as of the Effective Date. Each Executory Contract or Unexpired Lease assumed pursuant to the Plan or by Bankruptcy Court order but not assigned to a third party before the Effective Date shall revert in and be fully enforceable by the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may have been modified by such order. Notwithstanding anything to the contrary in the Plan, the Debtors or the Reorganized Debtors, as applicable, reserve the right to alter, amend, modify or supplement the list of Executory Contracts and Unexpired Leases identified in the Plan Supplement at any time before the Effective Date. Any alteration, amendment, modification or supplement to the list of Executory Contracts and Unexpired Leases identified in the Plan Supplement shall be agreed to by the Consenting Junior Lien Creditors after consultation with the Consenting First Lien Creditors. After the Effective Date, the Reorganized Debtors shall have the right to terminate, amend or modify any intercompany contracts, leases or other agreements without approval of the Bankruptcy Court.

6.2 Claims Based on Rejection of Executory Contracts or Unexpired Leases.

All proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, if any, must be filed with the Bankruptcy Court within 30 days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion and shall not be enforceable against the Debtors or the Reorganized Debtors, the Estates or their property without the need for any objection by the Reorganized Debtors or further notice to, or action, order or approval of the Bankruptcy Court.** All Allowed

Claims arising from the rejection of the Reorganizing Debtors' Executory Contracts or Unexpired Leases shall be deemed General Unsecured Claims and classified as Class A7 Reorganizing Debtors Unsecured Claims against the applicable Reorganizing Debtor and shall be treated in accordance with Article III of the Plan. All Allowed Claims arising from the rejection of the Liquidating Debtors' Executory Contracts or Unexpired Leases shall be deemed Liquidating Debtors Unsecured Claims and classified as Class B7 Liquidating Debtors Unsecured Claims against the applicable Liquidating Debtor and shall be treated in accordance with Article III of the Plan. The deadline to object to Claims arising from the rejection of Executory Contracts or Unexpired Leases, if any, shall be the later of (a) 90 days following the date on which such Claim was filed and (b) such other period of limitation as may be specifically fixed by an order of the Bankruptcy Court for objecting to such Claims.

6.3 Cure of Defaults for Executory Contracts and Unexpired Leases Assumed.

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on, or as soon as reasonably practicable after, the Effective Date, subject to the limitations described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed or (3) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order or orders resolving the dispute and approving the assumption. At least 14 days before the Confirmation Hearing, the Debtors shall distribute, or cause to be distributed, notices of proposed assumption and proposed amounts of Cure Claims to the applicable third parties, and shall include procedures for objecting to proposed assumptions of Executory Contracts and Unexpired Leases and any amounts of Cure Claims to be paid in connection therewith and resolution of disputes by the Bankruptcy Court; *provided, that*, the Debtors and the Reorganized Debtors reserve all rights with respect to any such proposed assumption and proposed cure amount in the event of an objection or dispute. Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption or related cure amount must be filed, served and actually received by counsel to the Debtors and the Consenting Junior Lien Creditors at least 3 days before the Confirmation Hearing. **Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount will be deemed to have assented to such assumption or cure amount.** A list of the Executory Contracts and Unexpired Leases to be assumed and the notices of proposed assumption and proposed amounts of Cure Claims shall be included in the Plan Supplement.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time before the effective date of the assumption. **Any Proofs of Claim filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged, without further notice to, action, order, or approval of the Bankruptcy Court.**

6.4 Modifications, Amendments, Supplements, Restatements or Other Agreements.

Unless otherwise provided in the Plan or specifically provided in the Plan Supplement, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

Modifications, amendments, supplements and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority or amount of any Claims that may arise in connection therewith.

6.5 Reservation of Rights.

Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Executory Contract and Unexpired Lease lists in the Plan Supplement, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any Reorganized Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or Reorganized Debtors, as applicable, shall have 30 days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

6.6 Contracts and Leases Entered Into After the Petition Date

Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed by such Debtor, will be performed by the Debtor or Reorganized Debtor liable thereunder in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

6.7 Assumption of Insurance Policies

Notwithstanding anything in the Plan or the Confirmation Order, including any provision that purports to be preemptory or supervening, on the Effective Date, each of the Insurance Policies shall, as applicable, be deemed assumed to the extent such Insurance Policies are Executory Contracts of the applicable Debtor under section 365 of the Bankruptcy Code. Regardless of whether any Insurance Policy is or is not an Executory Contract, on and after the Effective Date, the Insurance Policies will remain valid and enforceable in accordance with their terms, shall not be impaired by the Plan or Confirmation Order, and the Debtors and the Insurers will perform their respective obligations to one another, if any, under the Insurance Policies; *provided, however*, that nothing contained in this Section 6.7 shall affect any Executory Contract or Claim of any Entity other than the Insurers.

6.8 Assumption of Employment Contracts or Incentive Plans

Notwithstanding anything in the Plan or the Confirmation Order, including any provision that purports to be preemptory or supervening, the Debtors shall not assume, and shall reject, any employment contracts or management incentive plans that include any provisions requiring payments or benefits upon a change-of-control as a result of the consummation of the Plan; *provided* that the Reorganizing Debtors may assume such contracts or incentive plans if the Debtors or the Reorganizing Debtors either (i) obtain a written waiver of such payments or benefits prior to any such assumption or (ii) obtain a written consent to such assumption from the Consenting Junior Lien Creditors.

ARTICLE VII**PROVISIONS GOVERNING DISTRIBUTIONS****7.1 Record Date for Distributions**

As of the entry of the Confirmation Order, the various transfer registers for each of the Classes of Claims or Interests as maintained by the Debtors or their respective agents shall be deemed closed, and there shall be no further changes made to reflect any new record holders of any Claims or Interests. The Debtors shall have no obligation to recognize any transfer of Claims or Interests occurring on or after the Distribution Record Date.

7.2 Timing and Calculation of Amounts to Be Distributed

Except as otherwise provided in the Plan, on the Effective Date or as soon as reasonably practicable thereafter (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such a Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter), each holder of an Allowed Claim against the

Debtors shall receive the full amount of the distributions that the Plan provides for Allowed Claims in the applicable Class and in the manner provided herein. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a business day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in Article VIII hereof. Except as otherwise provided herein (including in Section 7.6(a) with respect to Disputed Claims), holders of Claims shall not be entitled to interest, dividends or accruals on the distributions provided for herein, regardless of whether such distributions are delivered on or at any time after the Effective Date.

7.3 Disbursing Agent

Except as otherwise provided herein, all distributions under the Plan shall be made by the Reorganized Debtors as Disbursing Agent or such other Entity designated by the Reorganized Debtors as a Disbursing Agent on the Effective Date. Distributions to holders of claims related to the 2015 Senior Notes Claims, First Lien Notes Claims, Second Lien Notes Claims and Third Lien Notes Claims shall be made by the applicable Indenture Trustee and, with the consent of the Reorganized Debtors, deemed completed when made to the applicable Indenture Trustee as Disbursing Agent. For the avoidance of doubt, distributions made by the Indenture Trustees to the record holders of the 2015 Senior Notes Claims, First Lien Notes Claims, Second Lien Notes Claims and Third Lien Notes Claims shall be made (as it relates to the identity of recipients) in accordance with the applicable indenture and the policies and procedures of DTC, to the extent applicable. To the extent that any Entity other than the Reorganized Debtors or any of the Indenture Trustees is designated as a Disbursing Agent, such Entity's designation and service thereunder shall be conditioned upon such Entity posting a bond satisfactory to the Bankruptcy Court.

7.4 Rights and Powers of Disbursing Agent

(a) Powers of the Disbursing Agent

The Disbursing Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions hereof.

(b) Expenses Incurred On or After the Effective Date

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes) and any reasonable compensation and expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent shall be paid in Cash by the Reorganized Debtors.

7.5 Distributions on Account of Claims Allowed After the Effective Date

(a) Payments and Distributions on Disputed Claims

Notwithstanding any other provision of the Plan, no distributions shall be made under the Plan on account of any Disputed Claim, unless and until such Claim becomes an Allowed Claim. Distributions made after the Effective Date to holders of Disputed Claims that are not Allowed Claims as of the Effective Date but which later become Allowed Claims shall be deemed to have been made on the Effective Date.

(b) Special Rules for Distributions to Holders of Disputed Claims

Notwithstanding any provision otherwise in the Plan and except as may be agreed to by the Debtors with the approval of the Consenting Junior Lien Creditors, or the Reorganized Debtors, on the one hand, and the holder of a Disputed Claim, on the other hand, no partial payments and no partial distributions shall be made with respect

to any Disputed Claim until all Disputed Claims held by the holder of such Disputed Claim have become Allowed Claims or have otherwise been resolved by settlement or Final Order.

7.6 Delivery of Distributions and Undeliverable or Unclaimed Distributions

(a) Delivery of Distributions in General

Except as otherwise provided in the Plan, distributions to holders of Allowed Claims shall be made to holders of record as of the Distribution Record Date by the Disbursing Agent: (a) to the signatory set forth on the Proof of Claim filed by such holder or other representative identified therein (or at the last known addresses of such holder if no Proof of Claim is filed or if the Debtors have been notified in writing of a change of address); (b) at the addresses set forth in any written notices of address changes delivered to the Disbursing Agent after the date of any related Proof of Claim; (c) at the addresses reflected in the Schedules if no Proof of Claim has been filed and the Disbursing Agent has not received a written notice of a change of address; or (d) on any counsel that has appeared in the Chapter 11 Cases on the holder's behalf. Distributions under the Plan on account of Allowed Claims shall not be subject to levy, garnishment, attachment or like legal process, so that each holder of an Allowed Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan. None of the Debtors, the Reorganized Debtors and the applicable Disbursing Agent shall incur any liability whatsoever on account of any distributions under the Plan except for gross negligence, willful misconduct or fraud.

Except as otherwise provided in the Plan, all distributions to holders of Notes Claims shall be governed by the Notes and Indentures, and shall be deemed completed when made to the Indenture Trustees, who shall in turn make distributions in accordance with the Notes and Indentures.

(b) Fractional Distributions

Whenever any payment of a fraction of a share of New Common Stock pursuant to the Plan would otherwise be required, the actual payment shall reflect a rounding of such fraction to the nearest whole share (up or down), with half or less being rounded down. Whenever any payment of Cash of a fraction of a dollar pursuant to the Plan would otherwise be required, the actual payment shall reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars or less being rounded down.

(c) Undeliverable Distributions and Unclaimed Property

In the event that any distribution to any holder is returned as undeliverable, no distribution to such holder shall be made unless and until the Disbursing Agent has determined the then current address of such holder, at which time such distribution shall be made as soon as practicable after such distribution has become deliverable or has been claimed to such holder without interest; *provided, however*, that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and forfeited at the expiration of six months from the applicable Distribution Date. After such date, all "unclaimed property" or interests in property shall revert to the Reorganized Debtors (notwithstanding any applicable federal or state escheat, abandoned or unclaimed property laws to the contrary), and the Claim of any holder to such property or interest in property shall be discharged and forever barred.

(d) Time Bar to Cash Payments

Checks issued by the Disbursing Agent in respect of any Distribution of Cash made on account of Allowed Claims shall be null and void if not negotiated within ninety (90) days from and after the date of issuance thereof. Requests for reissuance of any check shall be made directly to the Disbursing Agent by the holder of the Allowed Claim with respect to which such check originally was issued. Any Claim in respect of a voided check shall be made on or before the later of (a) the six-month anniversary of the Effective Date, or (b) 90 days after the date of issuance if the check represents a final Distribution. After that date, all remaining Claims in respect of voided checks shall be discharged and forever barred and the applicable Reorganized Debtor shall retain all related monies as unclaimed property under Section 7.6(c).

7.7 Compliance with Tax Requirements and Allocations

In connection with the Plan and all instruments issued in connection therewith, to the extent applicable, the Reorganized Debtors and the Disbursing Agent shall comply with all tax withholding and reporting requirements imposed on them by any federal, state or local taxing authority, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors and the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right, in their sole discretion, to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, other spousal awards, Liens, and encumbrances.

For tax purposes, distributions in full or partial satisfaction of Allowed Claims shall be allocated first to the principal amount of Allowed Claims, with any excess allocated to unpaid interest that accrued on such Claims.

7.8 Setoffs

The Debtors and the Reorganized Debtors may withhold (but not set off except as set forth below) from the distributions called for under the Plan on account of any Allowed Claim an amount equal to any claims, equity interests, rights and Causes of Action of any nature that the Debtors or the Reorganized Debtors may hold against the holder of any such Allowed Claim. In the event that any such claims, equity interests, rights and Causes of Action of any nature that the Debtors or the Reorganized Debtors may hold against the holder of any such Allowed Claim are adjudicated by Final Order or otherwise resolved, the Debtors may, pursuant to section 558 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim and the distributions to be made pursuant hereto on account of such Allowed Claim (before any distribution is made on account of such Allowed Claim) the amount of any adjudicated or resolved claims, equity interests, rights and Causes of Action of any nature that the Debtors or the Reorganized Debtors may hold against the holder of any such Allowed Claim, but only to the extent of such adjudicated or resolved amount. Neither the failure to effect such a setoff nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claims, equity interests, rights and Causes of Action that the Debtors or the Reorganized Debtors may possess against any such holder, except as specifically provided herein.

7.9 Claims Paid or Payable by Third Parties

(a) Claims Paid by Third Parties

The Debtors or the Reorganized Debtors, as applicable, shall reduce in part or in full an Allowed Claim to the extent that the holder of such Allowed Claim receives payment in part or in full on account of such Allowed Claim from a party that is not a Debtor or Reorganized Debtor. To the extent a holder of an Allowed Claim receives a distribution on account of such Allowed Claim and receives payment from a party that is not a Debtor or a Reorganized Debtor on account of such Allowed Claim, such holder shall, within 14 days of receipt thereof, repay or return the distribution to the applicable Reorganized Debtor, to the extent the holder's total recovery on account of such Allowed Claim from the third party and under the Plan exceeds the amount of such Allowed Claim as of the date of any such distribution under the Plan.

(b) Claims Payable by Third Parties

An Insured Claim that has been settled, in whole or in part, with the express written consent of an Insurer, or resolved by a judgment entered after an actual trial or by summary judgment, may be expunged or reduced without a Claims objection having to be filed and without any further notice to or action, order, or approval of the Bankruptcy Court to the extent so settled or resolved.

(c) Applicability of Insurance Policies

Except as otherwise provided in the Plan, distributions to holders of Allowed Insured Claims shall be in accordance with the provisions of any applicable Insurance Policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

ARTICLE VIII**PROCEDURES FOR RESOLVING CONTINGENT,
UNLIQUIDATED AND DISPUTED CLAIMS****8.1 Prosecution of Objections to Claims on and after the Effective Date.**

The Debtors (before the Effective Date), with the approval of the Consenting Junior Lien Creditors, or the Reorganized Debtors and the Liquidating Debtors Plan Administrator (on or after the Effective Date), as applicable, shall have the exclusive authority to file, settle, compromise, withdraw or litigate to judgment any objections to Claims as permitted under the Plan.

From and after the Effective Date, the Reorganized Debtors may settle or compromise any Disputed Claim without approval of the Bankruptcy Court if the Allowed amount of such Disputed Claim is equal to or less than \$1,000,000. If, however, the Allowed amount of such Disputed Claim is greater than \$1,000,000, the Reorganized Debtors shall file a notice of the proposed settlement with the Bankruptcy Court. Parties in interest shall have 14 days from the filing of such notice to object to the proposed settlement. If no objections are received on or before the 14th day, the Disputed Claim shall be deemed resolved for the amount proposed in the notice. If, however, any objections are made in writing to the proposed settlement, a hearing shall be held before the Bankruptcy Court to resolve such objection. Subject to the procedures set forth herein, the Debtors reserve all rights to resolve any Disputed Claim outside the Bankruptcy Court under applicable governing law.

8.2 Estimation of Claims

The Reorganized Debtors, the Debtors, or the Liquidating Debtors Plan Administrator, as applicable, may, at any time, request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether the Debtors, the Reorganized Debtors or the Liquidating Debtors Plan Administrator previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection. In the event that the Bankruptcy Court estimates any contingency or unliquidated Claim, such estimated amount will constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Reorganized Debtors, the Debtors or the Liquidating Debtors Plan Administrator may elect to pursue any supplemental proceedings to object to any ultimate allowance of such Claim. All of the aforementioned Claims objections, estimation and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court.

8.3 Allowance of Claims

Except as expressly provided herein or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), the Reorganized Debtors and the Liquidating Debtors Plan Administrator after the Effective Date will have and retain any and all rights and defenses held by the Debtors with respect to any Claim as of the Petition Date. All claims of any Entity that owes money to the Debtors shall be disallowed unless and until such Entity pays, in full, the amount it owes the Debtors.

Notwithstanding any other provision in the Plan, no payments or distributions shall be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled or

withdrawn or have been determined by Final Order, and the Disputed Claim, or some portion thereof, has become an Allowed Claim. To the extent that all or a portion of a Disputed Claim is disallowed, the Holder of such Disputed Claim shall not receive any distribution on account of the portion of such Disputed Claim that is Disallowed.

8.4 Distributions After Allowance

To the extent that a Disputed Claim becomes an Allowed Claim, distribution (if any) shall be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan and Confirmation Order. As soon as practicable after the date that either (i) the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order or (ii) a Disputed Claim becomes an Allowed Claim without additional court orders, the Reorganized Debtors, the Disbursing Agent or the Liquidating Debtors Plan Administrator, as applicable, shall provide to the Holder of such Claim the distribution (if any) to which such Holder is entitled under the Plan and Confirmation Order, without any interest to be paid on account of such Claim.

8.5 Deadline to File Objections to Claims

Any objections to Claims shall be filed no later than the applicable Claims Objection Bar Date, provided, however, that to the extent an objection to a Disputed Claim is withdrawn or compromised without approval of the Bankruptcy Court, deemed resolved subject to the procedures set forth in Section 8.1 or adjudicated by the Bankruptcy Court, the Debtors shall have 45 days from the date of withdrawal, compromise, resolution or adjudication to object to the Claim on any additional grounds.

Any fees, costs or expenses incurred by the Liquidating Debtors Plan Administrator in objecting to Claims filed against the Liquidating Debtors shall be borne by the Liquidating Debtors.

8.6 Disallowed Claims

Any Claim held by an Entity against whom any Debtor or the Liquidating Debtors Plan Administrator has commenced a proceeding asserting a Clause of Action under sections 542, 543, 544, 545, 547, 548, 549, 550, 551 and/or 553 of the Bankruptcy Code, shall be deemed a Disallowed Claim pursuant to section 502(d) of the Bankruptcy Code and the Holder of such Claim shall not be entitled to vote to accept or reject the Plan. Claims that are deemed Disallowed Claims pursuant to this section 8.6 shall continue to be Disallowed Claims for all purposes until such Cause of Action has been settled or resolved by Final Order and any sums due to the Debtors from such party have been paid.

8.7 Reorganizing Debtors Unsecured Claims Warrant Pool

On the Effective Date (or as soon thereafter as is reasonably practicable), New Altegrity shall deposit in the Reorganizing Debtors Unsecured Claims Warrant Pool the Warrants. Each holder of a Disputed Reorganizing Debtors Unsecured Claim in Class A7 that ultimately becomes an Allowed Claim shall have recourse only to the undistributed Warrants held in the Reorganizing Debtors Unsecured Claims Warrant Pool for satisfaction of the distributions to which holders of Allowed Reorganizing Debtors Unsecured Claims are entitled under the Plan, and not to any Reorganized Debtor, their property or any assets previously distributed on account of any Allowed Claim.

8.8 Distributions from Reorganizing Debtors Unsecured Claims Warrant Pool

Notwithstanding anything to the contrary in this Plan, no distributions shall be made from the Reorganizing Debtors Unsecured Claims Warrant Pool until all Disputed Reorganizing Debtors Unsecured Claims in Class A7 are resolved and either become Allowed or are disallowed by Final Order.

On the Distribution Date following the date that all Disputed Reorganizing Debtors Unsecured Claims in Class A7 are resolved and either become Allowed or are disallowed by Final Order, then the Disbursing Agent shall provide to each holder of Allowed Claims in Class A7 (other than the holders of the Second Lien Notes Deficiency Claims and the Third Lien Notes Deficiency Claims) such holder's Pro Rata portion of the Warrants, with such Pro

Rata calculation based on the exclusion of the Second Lien Notes Deficiency Claims and the Third Lien Notes Deficiency Claims from both the numerator and the denominator.

8.9 Liquidating Debtors Unsecured Claims Distribution Pool

On the Effective Date (or as soon thereafter as is reasonably practicable), the Reorganized Debtors shall deposit in the Liquidating Debtors Unsecured Claims Distribution Pool the proceeds of any assets of the Liquidating Debtors that were not, at the time of disposition, subject to a valid security interest. From and after the Effective Date, to the extent that Liquidating Debtors sell or otherwise monetize assets that are not, at the time of disposition, subject to a valid security interest, the proceeds of such assets shall be deposited into the Liquidating Debtors Unsecured Claims Distribution Pool. Each holder of a Disputed Liquidating Debtors Unsecured Claim in Class B6 or Class B7 that ultimately becomes an Allowed Claim shall have recourse only to the undistributed proceeds held in the Liquidating Debtors Unsecured Claims Distribution Pool for satisfaction of the distributions to which holders of Allowed Liquidating Debtors Unsecured Claims are entitled under the Plan, and not to any Reorganized Debtor, their property or any assets previously distributed on account of any Allowed Claim.

8.10 Distributions from Liquidating Debtors Unsecured Claims Distribution Pool

Notwithstanding anything to the contrary in this Plan, no distributions shall be made from the Liquidating Debtors Unsecured Claims Distribution Pool to holders of Claims in Class B6 until all Disputed Liquidating Debtors Other Priority Claims in Class B6 are resolved and either become Allowed or are disallowed by Final Order, and no distributions shall be made from the Liquidating Debtors Unsecured Claims Distribution Pool to holders of Claims in Class B7 until all Disputed Liquidating Debtors Unsecured Claims in Class B7 are resolved and either become Allowed or are disallowed by Final Order.

On the Distribution Date following the date that all Disputed Liquidating Debtors Other Priority Claims in Class B6 are resolved and either become Allowed or are disallowed by Final Order, the Liquidating Debtors Plan Administrator or the Disbursing Agent shall provide to each holder of Allowed Claims in Class B6 such holder's Pro Rata portion of any proceeds from any unencumbered assets of the Liquidating Debtors then currently in the Liquidating Debtors Unsecured Claims Distribution Pool, *provided, that*, if the aggregate amount of proceeds in the Liquidating Debtors Unsecured Claims Distribution Pool at such Distribution Date is less than \$50,000, the Liquidating Debtors Plan Administrator may elect, at its sole discretion, to postpone any such distribution until the next Distribution Date. On each succeeding Distribution Date on which there are proceeds in the Liquidating Debtors Unsecured Claims Distribution Pool of at least \$50,000, the Liquidating Debtors Plan Administrator or the Disbursing Agent shall make Pro Rata distributions to holders of Allowed Claims in Class B6 until such claims are paid in full.

On the first Distribution Date on which (a) the Allowed Class B6 Claims are (or have been) paid in full, (b) all Disputed Liquidating Debtors Unsecured Claims in Class B7 are resolved and either are Allowed or are disallowed by Final Order, and (c) the Liquidating Debtors Unsecured Claims Distribution Pool holds proceeds from any unencumbered assets of the Liquidating Debtors of at least \$50,000 available for distribution to holders of Allowed Claims in Class B7, the Liquidating Debtors Plan Administrator or the Disbursing Agent shall provide to each holder of Allowed Claims in Class B7 such holder's Pro Rata portion of such proceeds. On each succeeding Distribution Date on which there are proceeds in the Liquidating Debtors Unsecured Claims Distribution Pool of at least \$50,000, the Liquidating Debtors Plan Administrator or the Disbursing Agent shall make Pro Rata distributions to holders of Allowed Claims in Class B7 until such claims are paid in full.

Distributions of any excess amounts after both the Allowed Claims in Class B6 and the Allowed Claims in Class B7 have been paid in full, if any, shall be provided to the holders of Allowed Interests in Class B8 for the benefit of the Reorganized Debtors for general corporate use.

8.11 Withholding Related to Distributions from Liquidating Debtors Unsecured Claims Distribution Pool or Reorganizing Debtors Unsecured Claims Warrant Pool

In connection with the Plan and all instruments issued in connection therewith, to the extent applicable, the Reorganized Debtors, the Liquidating Debtors Plan Administrator and the Disbursing Agent shall comply with all tax withholding and reporting requirements imposed on them by any federal, state or local taxing authority, and distributions pursuant to the Plan to holders of interests in the Liquidating Debtors Unsecured Claims Distribution Pool or Reorganizing Debtors Unsecured Claims Warrant Pool shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors, the Liquidating Debtors Plan Administrator and the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made to a holder of an interest in the Liquidating Debtors Unsecured Claims Distribution Pool or Reorganizing Debtors Unsecured Claims Warrant Pool to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right, in their sole discretion, to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, other spousal awards, Liens, and encumbrances.

8.12 Liquidating Debtors Plan Administrator and Liquidating Debtors Plan Administrator Oversight Committee

On the Effective Date, New Altegrity shall be appointed the Liquidating Debtors Plan Administrator and the Liquidating Debtors Plan Administrator Oversight Committee shall be formed, which committee shall consist of three (3) members, the Consenting Junior Lien Creditors' Designee, the Consenting First Lien Creditors' Designee and the Reorganized Debtors' Designee. The Liquidating Debtors Plan Administrator and the members of the Liquidating Debtors Plan Administrator Oversight Committee shall oversee the liquidation of assets of the Liquidating Debtors and distribution of assets of the Liquidating Debtors Unsecured Claims Distribution Pool in accordance with the Plan, including the settlement of any Estate Causes of Action related to the Liquidating Debtors upon receiving a proposal of settlement from, or proposed by, the Liquidating Debtors Plan Administrator. The Liquidating Debtors Plan Administrator shall produce such periodic reports as reasonably requested by the Liquidating Debtors Plan Administrator Oversight Committee with respect to the status of settlements related to Claims in Class B6 and Class B7 and distributions to holders of Allowed Claims in Class B6 and Class B7. Liquidating Debtors Plan Administrator Oversight Committee decisions shall be made by majority written approval. In the event of a dispute, the dispute shall be resolved by the Bankruptcy Court upon motion of the Liquidating Debtors Plan Administrator after consultation with the Liquidating Debtors Plan Administrator Oversight Committee. The Liquidating Debtors Plan Administrator, after consultation with the Liquidating Debtors Plan Administrator Oversight Committee, shall have the following additional rights, obligations and duties:

- (i) appear in Bankruptcy Court, as necessary;
- (ii) approve the settlement of Liquidating Debtors' Estate Causes of Action where the amount originally sought to be recovered exceeds \$100,000; it being hereby understood that the Liquidating Debtors Plan Administrator shall have discretion to approve the settlement of any Liquidating Debtors' Estate Causes of Action up to \$100,000 without any direction from or consent by the Liquidating Debtors Plan Administrator Oversight Committee.

Any member of the Plan Oversight Committee shall have the right to seek an order of the Bankruptcy Court terminating another Plan Oversight Committee member for cause, with a replacement member to be selected in a manner consistent with the original selection of such member. Upon final distribution from the Liquidating Debtors Unsecured Claims Distribution Pool, the Liquidating Debtors Plan Administrator Oversight Committee shall automatically dissolve.

For the avoidance of doubt, the Liquidating Debtors Plan Administrator shall only administer and oversee the liquidation of the assets of the Liquidating Debtors and shall not, in its capacity as Liquidating Debtors Plan Administrator, have any rights or responsibilities with respect to the Reorganizing Debtors.

ARTICLE IX**SETTLEMENT, RELEASE, INJUNCTION AND RELATED PROVISIONS****9.1 Compromise and Settlement of Claims, Interests and Controversies**

Pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good faith compromise of all Claims, Interests and controversies relating to the contractual, legal and subordination rights that a holder of a Claim may have with respect to any Allowed Claim or Interest, or any distribution to be made on account of such Allowed Claim or Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests and controversies, as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Debtors, their Estates and holders of Claims and Interests and is fair, equitable and reasonable. In accordance with the provisions of the Plan, pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019(a), without any further notice to or action, order or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Debtors may compromise and settle Claims against them and Causes of Action against other Entities.

9.2 Releases by the Debtors

Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or the Plan Supplement, for good and valuable consideration, including the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, on and after the Effective Date, the Released Parties are deemed released and discharged by the Debtors, the Reorganized Debtors and the Estates from any and all Claims, obligations, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity or otherwise, that the Debtors, the Reorganized Debtors, the Estates or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan and Disclosure Statement, or related agreements, instruments or other documents, or any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any Released Party under the Plan or any document, instrument or agreement (including those set forth in the Plan Supplement and the First Lien Credit Agreement and First Lien Notes Indenture) executed to implement the Plan, nor does it release any Cause of Action, obligation or liability expressly set forth in or preserved by the Plan or the Plan Supplement.

9.3 Releases by Holders of Claims and Interests

As of the Effective Date, to the extent permitted by applicable law, each holder of a Claim or an Interest shall be deemed to have conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged the Debtors, the Reorganized Debtors and the Released Parties from any and all claims, interests, obligations, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims asserted on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and

Interests before or during the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan, the Disclosure Statement, the Plan Supplement or related agreements, instruments or other documents, or any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument or agreement (including those set forth in the Plan Supplement, the Senior Priority Documents, and the Second Lien Notes Indenture, and all liens, security and ancillary documents related thereto (including but not limited to all Note Security Documents and the Senior Intercreditor Agreement (each as defined in the Second Lien Notes Indenture))) executed to implement the Plan.

9.4 Exculpation

Except as otherwise specifically provided in the Plan or Plan Supplement, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any Exculpated Claim, obligation, Cause of Action or liability for any Exculpated Claim, except for gross negligence or willful misconduct (including fraud), but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Debtors and the Reorganized Debtors (and each of their respective Affiliates, agents, directors, officers, employees, advisors and attorneys) have participated in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation and distribution of the Plan securities pursuant to the Plan, and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan; *provided that* for the avoidance of doubt, the Debtors, the Liquidating Debtors, the Reorganizing Debtors, and the Reorganized Debtors, as applicable, remain liable under the Senior Priority Documents and the Second Lien Notes Indenture (with respect to the New Second Lien Notes to be issued, outstanding and governed thereunder), and all liens, security and ancillary documents related thereto (including but not limited to all Note Security Documents and the Senior Intercreditor Agreement (each as defined in the Second Lien Notes Indenture)) will remain in full force and effect, each in accordance with the terms thereof; *provided that* the assets of the Liquidating Debtors shall not secure the New Second Lien Notes.

9.5 Discharge of Claims and Termination of Interests

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan, the distributions, rights and treatment that are provided in the Plan shall be in full and final satisfaction, settlement, release and discharge, effective as of the Effective Date, of all Claims, Interests and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities and Causes of Action that arose before the Effective Date, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim or Interest based upon such Claim, debt, right or Interest is filed or deemed filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such Claim, debt, right or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the holder of such a Claim or Interest has accepted the Plan. Except as otherwise provided herein, any default by the Debtors or their Affiliates with respect to any Claim or Interest that existed before or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the Effective Date occurring, except as otherwise expressly provided in the Plan.

9.6 Injunction

FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY CAUSE OF ACTION RELEASED OR TO BE RELEASED PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN ARTICLE IX HEREOF, THE RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, INTEREST OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO ARTICLE IX HEREOF.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THE PLAN, ALL ENTITIES WHO HAVE HELD, HOLD OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED PURSUANT TO SECTIONS 9.2 OR 9.3, OR DISCHARGED PURSUANT TO SECTION 9.5 OR ARE SUBJECT TO EXCULPATION PURSUANT TO SECTION 9.4, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS: (1) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (2) ENFORCING, ATTACHING, COLLECTING OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE OR ORDER AGAINST SUCH ENTITIES ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (3) CREATING, PERFECTING OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH ENTITIES OR THE PROPERTY OR ESTATE OF SUCH ENTITIES ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; AND (4) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED OR DISCHARGED PURSUANT TO THE PLAN.

THE RIGHTS AFFORDED IN THE PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THEIR ASSETS, PROPERTY OR ESTATES. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE INTERESTS SHALL BE CANCELLED.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR HEREIN OR IN OBLIGATIONS ISSUED PURSUANT HERETO FROM AND AFTER THE EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER SECTION 502(G) OF THE BANKRUPTCY CODE.

ALL ENTITIES SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE REORGANIZED DEBTORS, EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS OR ANY ACT OR OMISSION, TRANSACTION OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

9.7 Term of Injunctions or Stays

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

9.8 Protection Against Discriminatory Treatment

Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend or refuse to renew a license, permit, charter, franchise or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors or another Entity with whom such Reorganized Debtors have been associated, solely because one of the Debtors has been a debtor under chapter 11, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtor is granted or denied a discharge) or has not paid a debt that is dischargeable in the Chapter 11 Cases.

9.9 Release of Liens

Except as otherwise provided herein or in any contract, instrument, release or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, in satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title and interest of any holder of such mortgages, deeds of trust, Liens, pledges or other security interests shall revert to the Reorganized Debtors and their successors and assigns; *provided, however*, that, for the avoidance of doubt, the Liens securing the First Lien Credit Agreement Claims, First Lien Notes Claims and the New Second Lien Notes issued under the Second Lien Notes Indenture shall not be released by this Section 9.9.

ARTICLE X

CONDITIONS PRECEDENT TO CONFIRMATION OF THE PLAN AND THE EFFECTIVE DATE

10.1 Conditions Precedent to Confirmation

It shall be a condition to Confirmation hereof that the following provisions, terms and conditions shall have been satisfied or waived pursuant to the provisions of Section 10.3.

1. The Bankruptcy Court shall have entered a Final Order, in form and substance acceptable to the Debtors, the Consenting First Lien Creditors and the Consenting Junior Lien Creditors approving the Disclosure Statement with respect to the Plan as containing adequate information within the meaning of section 1125 of the Bankruptcy Code.

2. The Confirmation Order (a) shall be entered in form and substance acceptable to the Debtors, the Consenting First Lien Creditors and the Consenting Junior Lien Creditors and (b) shall include a finding by the Bankruptcy Court that the New Common Stock and Warrants to be issued on the Effective Date will be authorized and exempt from registration under applicable securities law pursuant to section 1145 of the Bankruptcy Code.

3. The Plan and the Plan Supplement, including any schedules, documents, supplements and exhibits thereto (in each case in form and substance) shall be reasonably acceptable to the Debtors and the Consenting Junior Lien Creditors.

10.2 Conditions Precedent to the Effective Date

It shall be a condition to the Effective Date that the following provisions, terms and conditions shall have been satisfied or waived pursuant to the provisions of Section 10.3.

1. The Restructuring Support Agreement shall be in full force and effect.

2. The Bankruptcy Court shall have entered one or more Final Orders (which may be the Confirmation Order) authorizing the assumption and rejection of executory contracts and unexpired leases by the Debtors as contemplated herein.

3. The New Revolving Credit Facility Agreement shall have been executed and delivered by all of the Entities that are parties thereto, and all conditions precedent to the consummation thereof shall have been waived by the Debtors, with the consent of the Consenting First Lien Creditors and the Consenting Junior Lien Creditors, which consent shall not be unreasonably withheld, or satisfied in accordance with the terms thereof, and funding pursuant to the New Revolving Credit Facility shall have occurred.

4. The Confirmation Order shall have become a Final Order in form and substance acceptable to the Debtors and reasonably acceptable to the Consenting Junior Lien Creditors and the Consenting First Lien Creditors.

5. All of the schedules, documents, supplements and exhibits to the Plan shall have been filed in form and substance reasonably acceptable to the Debtors, the Consenting Junior Lien Creditors and the Consenting First Lien Creditors.

6. The Effective Date shall occur no later than July 8, 2015.

10.3 Waiver of Conditions

The conditions to Confirmation of the Plan and to Consummation of the Plan set forth in this Article X may be waived at any time by the Debtors, with the consent of the Consenting Junior Lien Creditors and of the Consenting First Lien Creditors; *provided, however*, that the Debtors may not waive entry of the Order approving the Disclosure Statement and the Confirmation Order.

10.4 Effect of Failure of Conditions

If the Consummation of the Plan does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any claims by or Claims against or Interests in the Debtors; (2) prejudice in any manner the rights of the Debtors, any holders of Claims or Interests or any other Entity; or (3) constitute an admission, acknowledgment, offer or undertaking by the Debtors, any holders or any other Entity in any respect.

ARTICLE XI

MODIFICATION, REVOCATION OR WITHDRAWAL OF THE PLAN

11.1 Modification and Amendments

Except as otherwise specifically provided herein, and subject to the Restructuring Support Agreement, the Debtors reserve the right, with the consent of the Consenting First Lien Creditors and the Consenting Junior Lien Creditors, to modify the Plan as to material terms and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not re-solicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modifications set forth in the Plan, the Debtors expressly reserve their rights, with the consent of the Consenting First Lien Creditors and Consenting Junior Lien Creditors, to alter, amend or modify materially the Plan with respect to any or all Debtors, one or more times, after Confirmation, and, to the extent necessary, and with the consent of the Consenting First Lien Creditors and Consenting Junior Lien Creditors, may initiate proceedings in the Bankruptcy Court to so alter, amend or modify the Plan or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. Any such modification or supplement shall be considered a modification of the Plan and shall be made in accordance with this Article XI.

11.2 Effect of Confirmation on Modifications

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan occurring after the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

11.3 Revocation or Withdrawal of the Plan

The Debtors reserve the right to revoke or withdraw the Plan before the Confirmation Date. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims or Interests; (b) prejudice in any manner the rights of such Debtor or any other Entity; or (c) constitute an admission, acknowledgement, offer or undertaking of any sort by such Debtor or any other Entity.

ARTICLE XII

RETENTION OF JURISDICTION

12.1 Jurisdiction of the Bankruptcy Court

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain such jurisdiction over the Chapter 11 Cases and all matters, arising out of or related to, the Chapter 11 Cases and the Plan including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate or establish the priority, Secured or Unsecured status or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or Unsecured status, priority, amount or allowance of Claims;
2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;
3. resolve any matters related to: (a) the assumption, assumption and assignment or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable in any manner and to hear, determine and, if necessary, liquidate, any Claims arising therefrom, including Rejection Claims, Cure Claims pursuant to section 365 of the Bankruptcy Code or any other matter related to such Executory Contract or Unexpired Lease; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (c) the Reorganized Debtors amending, modifying or supplementing, after the Effective Date, pursuant to Article VI, any Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory or expired;
4. ensure that distributions to holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;
5. adjudicate, decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;
6. adjudicate, decide or resolve any and all matters related to any Cause of Action;
7. adjudicate, decide or resolve any and all matters related to section 1141 of the Bankruptcy Code;
8. enter and enforce any order for the sale of property pursuant to sections 363, 1123 or 1146(a) of the Bankruptcy Code;

9. resolve any avoidance or recovery actions under sections 105, 502(d), 542 through 551 and 553 of the Bankruptcy Code;
10. resolve any cases, controversies, suits, disputes or Causes of Action that may arise in connection with the Consummation, interpretation or enforcement of the Plan or any entity's obligations incurred in connection with the Plan;
11. resolve any cases, controversies, suits, disputes or Causes of Action that may arise in connection with or under the Senior Intercreditor Agreement (as defined in the First Lien Notes Indenture), the Junior Lien Intercreditor Agreement (as defined in the Second Lien Notes Indenture) or the subordination provisions contained in the 2016 Senior Subordinated Notes Indenture;
12. issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any entity with Consummation or enforcement of the Plan;
13. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the discharge, releases, injunctions, exculpations, indemnifications and other provisions contained in Article IX and enter such orders as may be necessary or appropriate to implement such releases, injunctions and other provisions;
14. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the holder of a Claim for amounts not timely repaid pursuant to Section 7.9(a);
15. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;
16. determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan or the Disclosure Statement;
17. adjudicate any and all disputes arising from or relating to distributions under the Plan;
18. consider any modifications of the Plan, cure any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;
19. determine requests for the payment of Claims and Interests entitled to priority pursuant to section 507 of the Bankruptcy Code;
20. hear and determine disputes arising in connection with the interpretation, implementation or enforcement of the Plan or the Confirmation Order, including disputes arising under agreements, documents or instruments executed in connection with the Plan;
21. hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;
22. hear and determine all disputes involving the existence, nature or scope of the Debtors' discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred before or after the Effective Date;
23. enforce all orders previously entered by the Bankruptcy Court;
24. hear any other matter not inconsistent with the Bankruptcy Code; and
25. enter an order concluding or closing the Chapter 11 Cases.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

13.1 Immediate Binding Effect

Subject to Section 10.2, and notwithstanding Bankruptcy Rules 3020(e), 6004(h) or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors, the Reorganized Debtors and any and all holders of Claims or Interests (irrespective of whether such Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

13.2 Additional Documents

On or before the Effective Date, the Debtors may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or Reorganized Debtors, as applicable, and all holders of Claims or Interests receiving distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

13.3 Dissolution of Creditors' Committee

On the Effective Date, the Creditors' Committee shall dissolve, except the Creditors' Committee will remain intact with respect to any pending litigation or contested matter to which the Creditors' Committee is a party, any appeals filed regarding Confirmation, the resolution of any substantial contribution applications and the resolution of applications for Accrued Professional Compensation. On the Effective Date, subject to the prior sentence, the members of the Creditors' Committee shall be released and discharged from all rights and duties from or related to the Chapter 11 Cases.

13.4 Payment of Fees and Expenses of the Indenture Trustees

Notwithstanding any provision in the Plan to the contrary, the Debtors or Reorganized Debtors shall promptly pay in Cash in full reasonable, documented and necessary out-of-pocket fees and expenses incurred by the Indenture Trustees without the need of such parties to file fee applications with the Bankruptcy Court; provided that each party and its counsel shall provide the Debtors with the invoices (or such other documentation as the Debtors or another of such parties may reasonably request) for which it seeks payment on or before the Effective Date and provided that the Debtors have no objection to such fees, such fees shall be paid within 30 business days of the Effective Date. To the extent that the Debtors object to any of the fees and expenses of the Indenture Trustees or their counsel or advisors, the Debtors shall not be required to pay any disputed portion of such fees until a resolution of such objection is agreed to by the Debtors or a further order of the Bankruptcy Court upon a motion by such party.

13.5 Waiver of Federal Rule of Civil Procedure 62(a).

The Debtors may request that the Confirmation Order include (a) a finding that Fed. R. Civ. P. 62(a) shall not apply to the Confirmation Order, and (b) authorization for the Debtors to consummate the Plan immediately after entry of the Confirmation Order.

13.6 Vacatur of Confirmation Order.

If a Final Order denying confirmation of the Plan is entered, or if the Confirmation Order is vacated, then the Plan shall be null and void in all respects, and nothing contained in the Plan shall (a) constitute a waiver or

release of any Claims against or Interests in the Debtors or (b) prejudice in any manner the rights of the holder of any Claim against, or Interest in, the Debtors.

13.7 Reservation of Rights

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. None of the Plan, any statement or provision contained in the Plan or any action taken or not taken by any Debtor with respect to the Plan, the Disclosure Statement or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the holders of Claims or Interests before the Effective Date.

13.8 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, any heir, executor, administrator, successor or assign, affiliate, officer, director, manager, agent, representative, attorney, beneficiaries or guardian, if any, of each Entity.

13.9 Service of Documents

After the Effective Date, any pleading, notice or other document required by the Plan to be served on or delivered to the Reorganized Debtors shall be served on:

Altegrity, Inc.
600 Third Avenue, 4th Floor
New York, NY 10016
Attention: David R. Fontaine, Executive Vice President,
Chief Legal & Administrative Officer
Facsimile: (703) 637-1741

with copies to:

Debevoise & Plimpton, LLP
919 Third Avenue
New York, NY 10022
Attn: M. Natasha Labovitz, Esq., Jasmine Ball, Esq. and Craig
Bruens, Esq.
Facsimile: (212) 909-6836

After the Effective Date, the Debtors may, in their sole discretion, notify Entities that, in order to continue receiving documents pursuant to Bankruptcy Rule 2002, such Entities must file a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have filed such renewed requests.

13.10 Entire Agreement

Except as otherwise indicated, the Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings and representations on such subjects, all of which have become merged and integrated into the Plan.

13.11 Severability of Plan Provisions

If, before Confirmation of the Plan, any term or provision of the Plan is held by the Bankruptcy Court or any other court exercising jurisdiction to be invalid, void or unenforceable, the Bankruptcy Court or other court exercising jurisdiction shall have the power to alter and interpret such term or provision to make it valid or

enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the consent of the Debtors; and (3) nonseverable and mutually dependent.

13.12 Exhibits

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are filed, copies of such exhibits and documents shall be available upon request to the Debtors' counsel, by contacting Jasmine Ball, Debevoise & Plimpton LLP, 919 Third Avenue, New York, NY 10022, Telephone: (212) 909-6000, email: jball@debevoise.com, at the Bankruptcy Court's website at <https://ecf.deb.uscourts.gov> or at the website of the Claims and Noticing Agent, at <https://cases.primeclerk.com/Altegrity>. To the extent any exhibit or document is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall control.

13.13 Votes Solicited in Good Faith

Upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code and any applicable non-bankruptcy law, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and their respective Affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale and purchase of Plan securities offered and sold under the Plan, and, therefore, will have no liability for the violation of any applicable law, rule or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale or purchase of the New Common Stock offered and sold under the Plan.

13.14 Closing of Chapter 11 Cases

The Debtors shall, promptly after the full administration of the Chapter 11 Case with respect to each Debtor, file with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Chapter 11 Case for each such Debtor, Reorganized Debtor or Liquidating Debtor.

13.15 Conflicts

Except as set forth in the Plan, to the extent that any provision of the Disclosure Statement or any other order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of the Plan, the Plan shall govern and control; *provided, however*, that if there is a conflict between this Plan and a Plan Supplement document, including the First Lien Debt Amendments, the Plan Supplement document shall govern and control.

[Remainder of page intentionally left blank.]

Dated: March 30, 2015

Respectfully submitted,

Altegrity Holding Corp.

By: /s/ Jeffrey S. Campbell

Name: Jeffrey S. Campbell

Title: Senior Vice President and
Chief Financial Officer

Altegrity Acquisition Corp.

By: /s/ Jeffrey S. Campbell

Name: Jeffrey S. Campbell

Title: Senior Vice President and
Chief Financial Officer

Altegrity, Inc.

By: /s/ Jeffrey S. Campbell

Name: Jeffrey S. Campbell

Title: President and Chief Financial Officer

Altegrity Security Consulting, Inc.
CVM Solutions, LLC
D, D & C, Inc.
Engenium Corporation
FDC Acquisition, Inc.
HireRight Records Services, Inc.
(f/k/a USIS Records Services, Inc.)
HireRight Solutions, Inc.
(f/k/a USIS Commercial Services, Inc.)
HireRight, Inc.
HireRight Technologies Group, Inc.
John D. Cohen, Inc.
KCMS, Inc.
Kroll Associates, Inc.
Kroll Background America, Inc.
Kroll Crisis Management Group, Inc.
Kroll Cyber Security, Inc.
Kroll Factual Data, Inc.
Kroll Holdings, Inc.
Kroll Inc.
Kroll Information Assurance, Inc.
Kroll Information Services, Inc.
Kroll International, Inc.
Kroll Ontrack Inc.
Kroll Security Group, Inc.
National Diagnostics, Inc.
Ontrack Data Recovery, Inc.
The Official Information Company
USIS International, Inc.
USIS Worldwide, Inc.

By: /s/ Andrew E. Grimmig
Name: Andrew E. Grimmig
Title: Assistant Secretary

KIA Holding, LLC
Kroll Recovery, LLC
Altegrity Risk International LLC
(f/k/a Altegrity Risk Consulting and
Solutions, Inc.)
US Investigations Services, LLC

By: /s/ Andrew E. Grimmig
Name: Andrew E. Grimmig
Title: Assistant Secretary

Albatross Holding Company, LLC
By: Kroll Associates, Inc., its Sole Member

By: /s/ Andrew E. Grimmig
Name: Andrew E. Grimmig
Title: Assistant Secretary

Albatross Marketing & Trading, LLC
By: Albatross Holding Company, LLC
By: Kroll Associates, Inc., its Sole Member

By: /s/ Andrew E. Grimmig
Name: Andrew E. Grimmig
Title: Assistant Secretary

Personnel Records International, LLC
By: National Diagnostics, Inc., its Sole Member

By: /s/ Andrew E. Grimmig
Name: Andrew E. Grimmig
Title: Assistant Secretary

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jbarry@ycst.com
rbartley@ycst.com

Co-Counsel for the Debtors and Debtors in Possession

**EXHIBIT B – DISCLOSURE STATEMENT ORDER
AND SOLICITATION ORDER**

[TO COME]

**EXHIBIT C – ORGANIZATIONAL CHART OF THE
DEBTORS AND THEIR NON-DEBTOR AFFILIATES AND SUBSIDIARIES**



Corporate Structure Chart

Chart Codes

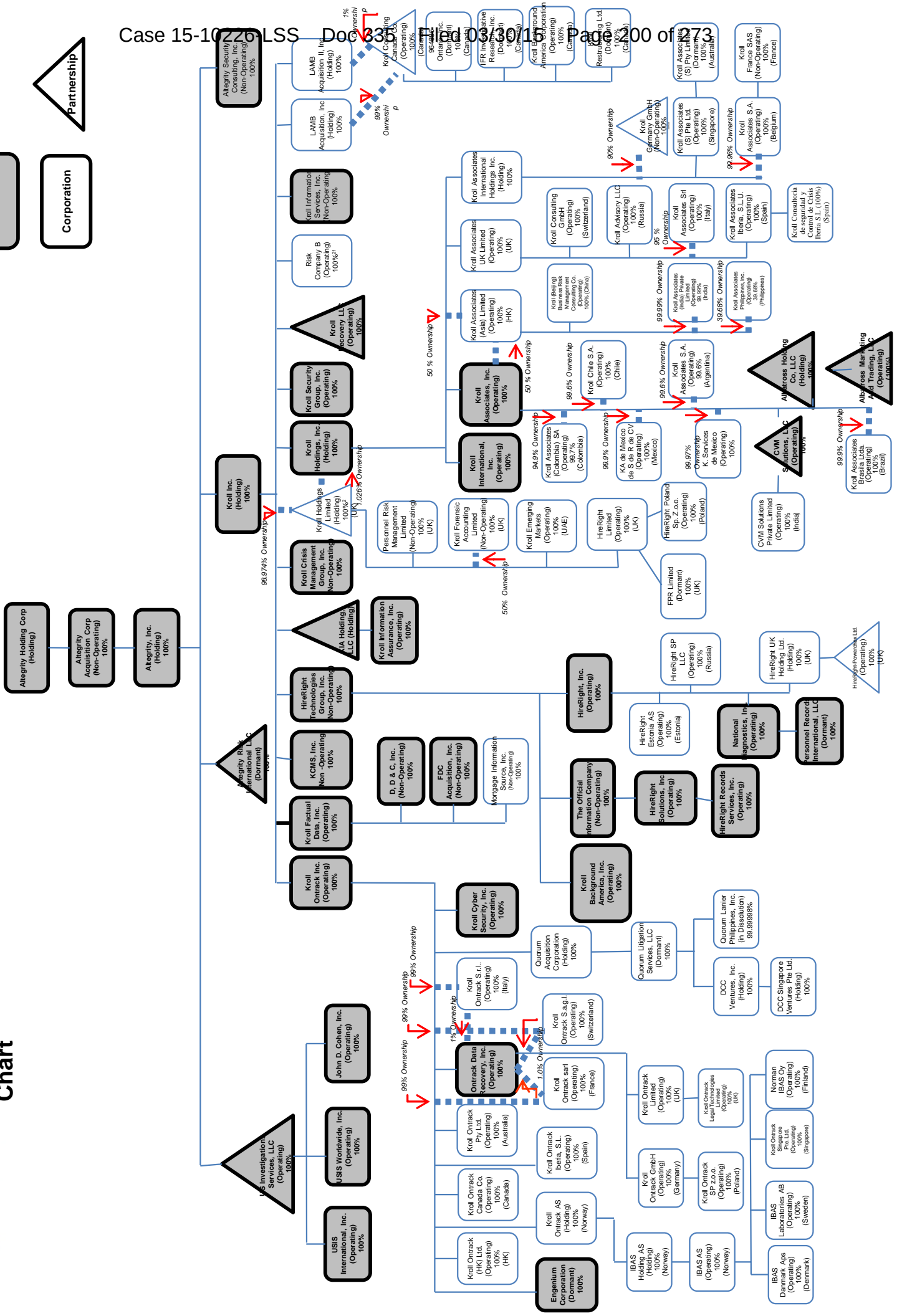
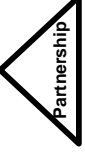


EXHIBIT D – LIQUIDATION ANALYSIS

Exhibit D

LIQUIDATION ANALYSIS

Under the “best interests of creditors” test set forth in section 1129(a)(7) of the Bankruptcy Code, the Bankruptcy Court may not confirm a plan of reorganization unless the plan provides each holder of an allowed claim or interest who does not otherwise vote in favor of the plan with property of a value, as of the effective date of the plan, that is not less than the amount that such holder would receive or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code.

To demonstrate that the proposed Plan¹ satisfies the “best interests of creditors” test, in connection with the confirmation of the Plan, the Debtors have prepared a hypothetical liquidation analysis (the “**Liquidation Analysis**”). The Liquidation Analysis indicates an estimated range of recovery values for each Class of Claims upon disposition of assets pursuant to a hypothetical chapter 7 liquidation, as an alternative to the Debtors’ proposed Plan. As illustrated by the Liquidation Analysis, holders of Claims in certain Unimpaired Classes that would receive full recovery under the Plan would receive less than full recovery in a hypothetical liquidation. Additionally, holders of Claims in other Impaired Classes would receive less recovery than they would under the Plan. Further, no holder of a Claim or Interest would receive or retain property under the Plan of a value that is less than such holder would receive in a chapter 7 liquidation, as illustrated by the Liquidation Analysis. Therefore the Debtors believe that the Plan satisfies the “best interests of creditors” test set forth in section 1129(a)(7) of the Bankruptcy Code.

The Liquidation Analysis represents an estimate of recovery values based upon a hypothetical liquidation of the Debtors’ estates if the Debtors’ current chapter 11 cases were converted to cases under chapter 7 of the Bankruptcy Code on June 30, 2015 (the “**Liquidation Date**”) and a chapter 7 trustee (the “**Trustee**”) were appointed to convert all assets into cash. In this hypothetical scenario, the Trustee would satisfy claims by converting all of the assets of the Debtors to cash by: (i) selling certain foreign assets owned by the Debtors as going concerns in a rapid sale; and (ii) ceasing operations and selling the individual assets of the Debtors (and the non-Debtor Affiliates). The gross amount of cash (“**Gross Proceeds**”) available from the liquidation would be the sum of the net proceeds from the disposition of the Debtors’ assets, after the costs of disposition, plus any cash held by the Debtors at the Liquidation Date. This Liquidation Analysis assumes that Gross Proceeds would be distributed in accordance with sections 726 and 1129(b) of the Bankruptcy Code. The cash amount that would be available for satisfaction of Allowed Claims and Interests would consist of the net proceeds resulting from the disposition of the assets and properties of the Debtors, augmented by the cash held by the Debtors at the time of the commencement of the liquidation case. Such cash amount would be used, in accordance with, and as required by, applicable law: (i) first, after payment of liquidation expenses, to pay the secured portions of all Allowed Secured Claims; (ii) second, to

¹ Capitalized terms used but not defined herein shall have the meanings set forth in the *Joint Chapter 11 Plan of Altegrity, Inc., et al.* (as amended, modified or supplemented from time to time, the “**Plan**”) or the *Disclosure Statement for the Joint Chapter 11 Plan of Altegrity, Inc., et al.* (as amended, modified or supplemented from time to time, the “**Proposed Disclosure Statement**”).

pay the costs and expenses of Allowed Administrative Claims, including Allowed DIP Facility deficiency claims, that might result from the termination of the Debtors' businesses; and (iii) third, to pay amounts on the Allowed Priority Tax Claims and Allowed Other Priority Claims. Any remaining net cash would be distributed to creditors holding Unsecured Claims, in strict order of priority of claims contained in section 726 of the Bankruptcy Code. In addition, Claims would arise in a hypothetical liquidation by reason of the breach or rejection of obligations incurred and leases and executory contracts (including vendor and customer contracts) assumed or entered into by the Debtors prior to the Liquidation Date, and deficiency Claims would arise to the extent of the unsecured portion of the Allowed Secured Claims. Furthermore, there would be additional Claims in the aggregate amount of approximately \$431 million due to the triggering of the make-whole provisions in the documents underlying the First Lien Indebtedness, the Second Lien Notes and the Third Lien Notes.

The Liquidation Analysis has been prepared assuming that the Debtors' current chapter 11 cases convert to chapter 7 on the Liquidation Date of June 30, 2015. The Liquidation Analysis is, with the exception of Cash and Equivalents, based on the book values of the Debtors' assets and liabilities as of December 31, 2014, or more recent values where available. Management believes that the December 31, 2014 book value of assets and certain liabilities are a proxy for such book values as of the Liquidation Date. The Cash and Equivalents book value amount reflects the Debtors' cash balance from the Company's financial projections as of the Liquidation Date. Balances for the Revolving Credit Facility, Term Loan, First Lien Notes, Series 1 Second Lien Notes, Series 2 Second Lien Notes, Third Lien Notes, post-petition accounts payable, accrued employee severance, chapter 11 professional fees, and general unsecured liabilities have also been updated to reflect estimated values as of the Liquidation Date. This Liquidation Analysis assumes: (i) operations of the U.S. Debtors will cease and the Debtors' individual assets will be sold in a rapid sale; (ii) for assets of the Debtors' subsidiaries outside of the United States, the proceeds from the liquidation are equal to the value realized in a forced sale of the businesses in certain regions as a going concern to a strategic or financial buyer; (iii) a three-to-six month liquidation process under the direction of the Trustee, utilizing Company resources and third party advisors, to allow for the orderly wind down of the Debtors' estates ("**Liquidation Timeline**"); (iv) continued access to cash collateral and the DIP Facility or alternative financing at comparable terms during the course of the Liquidation Timeline to fund wind-down costs; and (v) the continuation of accounting, treasury, IT and other management services needed to wind down the estates. The Liquidation Analysis does not include estimates for: (i) the tax consequences, either foreign or domestic, that may be triggered upon the liquidation and sale of assets; (ii) social costs or other government-imposed impediments arising from the sale or liquidation of non-U.S. assets, particularly in Europe; or (iii) recoveries resulting from any potential preference, fraudulent transfer or other litigation or avoidance actions. More specific assumptions are detailed in the Notes below.

The preparation of a liquidation analysis such as this one is an uncertain process involving the use of estimates and assumptions that, although considered reasonable by management, are inherently subject to business, economic and competitive uncertainties and contingencies beyond the control of the Debtors or the Trustee. The values stated herein have not been subject to any review, compilation or audit by any independent accounting firm. In addition, various liquidation decisions upon which certain assumptions are based are subject to change. As a result, the actual amount of claims against the Debtors' estates could vary

significantly from the estimates stated herein, depending on the nature and amount of claims asserted during the pendency of the chapter 7 case. ACCORDINGLY, NEITHER THE DEBTORS NOR THEIR ADVISORS MAKE ANY REPRESENTATION OR WARRANTY THAT THE ACTUAL RESULTS OF A LIQUIDATION OF THE DEBTORS WOULD OR WOULD NOT APPROXIMATE THE ASSUMPTIONS REPRESENTED HEREIN. THE ACTUAL LIQUIDATION VALUE OF THE DEBTORS IS SPECULATIVE AND RESULTS COULD VARY MATERIALLY FROM ESTIMATES PROVIDED HEREIN.

ASSET RECOVERY

1. **Cash, Cash Equivalents and Short-Term Investments** include cash in the Debtors' domestic bank accounts, cash equivalents, and investments that mature within 90 days or less. Cash in foreign bank accounts is accounted for in the liquidation value of the non-Debtor entities. The estimated recovery for these assets is 100%. Restricted cash of approximately \$1 million held as collateral for certain administrative claims against the estate is assumed to yield no recovery in the Liquidation Analysis and is a complete offset to the associated Claims.

2. **Accounts Receivable** includes all third-party trade accounts receivable. The liquidation of accounts receivable assumes that a Trustee would retain certain personnel from the Debtors to oversee an aggressive collection effort of outstanding trade accounts receivable, including potentially using third-party resources, for the Debtor entities undergoing an orderly wind-down. For receivables collected by third parties, the Debtors estimate a cost of collection of approximately 30%. The Liquidation Analysis assumes all remaining US Investigations Services, LLC ("USIS") contracts are wound down prior to the Liquidation Date and there are no outstanding receivables to be collected.

Accounts Receivable by Debtor Entity (\$ in 000s)	December 31, 2014 Book Value (Unaudited) ¹	Potential Recovery ²			
		Lower		Higher	
		(\$)	(%)	(\$)	(%)
HireRight, Inc.	\$ 27,095	\$ 17,611	65.0%	\$ 21,676	80.0%
Kroll Ontrack Inc.	22,965	14,927	65.0%	18,372	80.0%
Kroll Associates, Inc.	20,347	13,225	65.0%	16,277	80.0%
HireRight Solutions, Inc.	13,123	8,530	65.0%	10,499	80.0%
Kroll Information Assurance, Inc.	3,942	2,562	65.0%	3,153	80.0%
Kroll Background America, Inc.	3,627	2,357	65.0%	2,901	80.0%
CVM Solutions, LLC	2,688	1,747	65.0%	2,151	80.0%
Kroll Cyber Security, Inc.	2,547	1,656	65.0%	2,038	80.0%
National Diagnostics, Inc.	1,671	1,086	65.0%	1,337	80.0%
Kroll Security Group, Inc.	1,163	756	65.0%	931	80.0%
	<u>\$ 99,168</u>	<u>\$ 64,459</u>	65.0%	<u>\$ 79,334</u>	80.0%

¹ Excludes amounts classified as bad debt.

² Excludes gain contingencies.

3. **Prepaid and Refundable Taxes** include net state and local income tax receivable amounts. The recovery assumptions reflect the Debtors' anticipation of refund claims filed prior

to the conversion date for prior fiscal years that are expected to be received prior to their Fiscal Year-end 2015. The higher recovery assumption includes a portion of prior tax overpayments for the current and previous fiscal year, which may be refundable in connection with future filings.

4. **Prepaid Expenses and Other Current Assets** include record search credits, prepaid record searches, prepaid insurance, prepaid rent, and other prepaid expenses. The Debtors assume *de minimis* recovery from state record agencies for prepaid amounts. No other prepaid amounts are projected to be recoverable.

5. **Deferred Tax Assets** include federal and state tax credits for ongoing net operating losses. No recovery is estimated for deferred tax assets.

6. **Other Receivables** include indemnity claims against third parties for certain tax and non-tax matters related to the acquisition of certain business units, as well as receivables for insurance proceeds related to litigation matters and professional retainers paid. The high case assumes full recovery of indemnity claims, while the low case assumes 70% recovery, reflecting potentially disputed amounts with insurers and others regarding the amounts outstanding. No recovery is assumed from litigation settlement insurance proceeds. Professional retainers are assumed to be offset against the Allowed Administrative Claims of the professionals.

7. **Property, Plant, and Equipment** includes buildings, land, furniture, fixtures, computer equipment, and software. The Debtors do not maintain periodic fair value appraisals for their property and equipment. Book values listed below are as of December 31, 2014. Recovery assumption are based on the Debtors' estimates and market recovery values for similar types of assets:

- (i) **High Range** – Assumes that the Grove City, PA facility is sold for its appraised liquidation estimate. Furniture and computer equipment are disposed via liquidator for 25% and 20% of book value, respectively. No recovery is assumed for software or other tangible assets.
- (ii) **Low Range** – Assumes that the Grove City, PA facility is sold for 70% of its appraised liquidation estimate. Furniture and computer equipment are both disposed via a liquidator for 10% of book value. No recovery is assumed for software or other tangible assets.

The estimated recovery rate for each of the Debtor asset classes is as follows:

Property & Equipment (net) <i>(\$ in 000s)</i>	December 31, 2014 Book Value (Unaudited)	Potential Recovery			
		Low		High	
		(\$)	(%)	(\$)	(%)
Land, Building	\$ 3,828	\$ 683	18%	\$ 975	25%
Furniture/Fixtures	3,247	325	10%	812	25%
Computer Equipment	13,410	1,341	10%	2,682	20%
Other PPE	39,045	-	0%	-	0%
Total PPE, net	\$ 59,529	\$ 2,348	4%	\$ 4,469	8%

8. **Long Term Assets** include indemnity claims against third parties for reimbursement of taxes paid related to the acquisition of certain business units and preferred customer agreement prepayments amortized over the long term. Long term assets are estimated to have no recoverable liquidation value.

9. **Intangible Assets (Net)** are comprised primarily of trademarks and other intellectual property. The Liquidation Analysis utilizes a discounted cash flow valuation methodology to estimate cash flow from royalties at a fair market royalty rate of 2.5% – 4.0% for trademarks. The rates are then applied to the estimated projected revenues for each of the business segments to generate a hypothetical cash flow. Additionally, estimated recurring expenses for the maintenance and renewal of the trademarks, as well as assumed corporate tax liabilities, were reduced from the royalty revenue to generate a net income estimate for the hypothetical royalty cash flow stream. The Debtors then calculated the net present value of the projected net cash flow by discounting such cash flow at a rate of 15% annually to estimate the fair market value of the assets.

The Debtors also own certain customer lists that could potentially be sold to third parties, including competitors to the Company's U.S. businesses, in a liquidation. For hypothetical liquidation purposes only, the Debtors estimated the recovery for these assets to be 5% to 15% of the book value for Kroll Advisory and HireRight and 10% to 30% of book value for Kroll Ontrack.

Intangibles <i>(\$ in 000s)</i>	December 31, 2014 Book Value (Unaudited)	Potential Recovery			
		Low		High	
		(\$)	(%)	(\$)	(%)
Trademarks	\$ 80,970	\$ 78,875	97%	\$ 127,375	157%
Customer Lists					
Kroll Advisory	56,676	2,834	5%	8,501	15%
Kroll Ontrack	11,224	1,122	10%	3,367	30%
HireRight	104,452	5,223	5%	15,668	15%
Other Intangibles	47,019	-	0%	-	0%
Total Intangibles	\$ 300,341	\$ 88,054	29%	\$ 154,912	52%

10. **Goodwill** includes intangible assets resulting from the purchase amounts in excess of the fair market value of purchased tangible assets from prior acquisitions. Goodwill is estimated to have no value in a liquidation.

11. **Other Assets** include employment history credits and long-term deposits. Other assets are estimated to have no value in a liquidation.

12. **Debt Issuance Cost** includes prepaid costs associated with issuing debt, such as various fees and commissions paid to investment banks, law firms, auditors, regulators. Debt issuance cost is estimated to have no value in a liquidation.

13. **Investment In Inter-company Receivables / Investment In Foreign Subsidiaries** includes the residual proceeds from the monetization of the foreign subsidiaries through the settlement of intercompany trade payables, loan amounts due to / from affiliates, and equity claims of the Debtors in the non-Debtor entities. Due to the complexity in estimating social and other costs related to the liquidation and wind down of the non-debtor entities in the multiple foreign jurisdictions in which the Company operates, the Debtors chose to use reorganization value as a proxy for the liquidation value of the foreign subsidiaries. In an actual liquidation of these foreign entities, the results would be materially lower than what is presented in the Liquidation Analysis.

The Debtors prepared an analysis of the projected EBITDA for each of their foreign subsidiaries based on the Company's financial projections for the period ending September 30, 2015. The Debtors then estimated amounts for corporate and business segment overhead costs, technology costs, and other expenses to create a hypothetical EBITDA for those entities on a stand-alone basis. The Debtors further assumed that entities with negative EBITDA, entities which roll up to entities with negative EBITDA, or entities which require technology or other support from the U.S. would liquidate and would provide no recovery to the Debtors. The Debtors then applied a range of multiples to EBITDA to calculate enterprise value of the entities that may, in a hypothetical liquidation, provide the estate with certain recoveries. The EBITDA multiples reflect the discount that a third-party buyer would apply due to the Debtors' ownership of necessary business-related intellectual property, technology, and other assets, which would therefore not be included in the non-US assets being sold.

Enterprise Value-to-EBITDA Multiples

HireRight: 6.0 – 7.0 X

Kroll Ontrack: 4.0 – 5.0 X

Kroll Advisory: 1.0 – 2.0 X

The estimated recovery for each of the Debtors is as follows:

Recovery from Inter-company Receivables from Foreign Subsidiaries		
<i>(\$ in 000s)</i>		
	Potential Recovery	
	Low	High
	(\$)	(\$)
HireRight, Inc.	\$ 2,436	\$ 2,565
Kroll Ontrack Inc.	1,127	1,138
Kroll Associates, Inc.	851	966
Kroll Background America, Inc.	89	110
Altegrity, Inc.	84	94
Kroll International, Inc.	50	59
Kroll Security Group, Inc.	7	12
Kroll Inc.	4	8
HireRight Solutions, Inc.	3	4
Total Recovery from I/C Receivables	\$ 4,651	\$ 4,955

Recovery from Investment in Foreign Subsidiaries		
<i>(\$ in 000s)</i>		
	Potential Recovery	
	Low	High
	(\$)	(\$)
Ontrack Data Recovery, Inc.	\$ 19,462	\$ 24,654
HireRight, Inc.	11,523	14,356
Kroll Inc.	6,202	7,589
Kroll Associates, Inc.	300	599
Kroll Ontrack Inc.	-	21
Total Recovery from Foreign Subsidiaries	\$ 37,487	\$ 47,219

LIQUIDATION EXPENSES

Conversion of these chapter 11 cases to cases under chapter 7 of the Bankruptcy Code would result in additional costs to the Debtors, including compensation of the Trustee, retained counsel, and other professionals. The conversion to chapter 7 may also result in other contingent administrative claims that are difficult to estimate or forecast, including damages resulting from non-delivery of customer services and post-petition contract termination damages. The value of these contingent administrative claims is not included in the hypothetical Liquidation Analysis.

Further, while the Final DIP Order provides that certain collateral is not subject to surcharge pursuant to section 506(c) of the Bankruptcy Code, and provides for a fixed carve-out for Trustee expenses, this Liquidation Analysis assumes, solely for the purposes of this analysis, that the DIP Lenders and the Debtors' prepetition secured lenders would agree to a modification of the Final DIP Order in connection with the appointment of the Trustee. Therefore, costs specifically related to the liquidation of individual assets and all other costs associated with the liquidation are netted against the recovery value of those assets, except where noted. Further, the Liquidation Analysis assumes that any and all costs related to a chapter 7 liquidation would be

paid prior to any payments to holders of First Lien Indebtedness and holders of Administrative Claims.

The chapter 7 costs include the following:

14. **Trustee Fees** include all fees paid to the Trustee by the Debtors, consistent with the fee structure set forth in the Bankruptcy Code. Trustee fees are estimated at approximately 3% of the gross asset proceeds.

15. **Wind-Down Costs** contemplate the consensual, rapid orderly wind-down and liquidation of the Debtors' U.S. operations during the Liquidation Timeline. To maximize recoveries on remaining assets, minimize the amount of Claims, and generally ensure an orderly liquidation, the Trustee will need to retain a limited number of individuals currently employed at the Debtors. These individuals will primarily be responsible for operating and maintaining the Debtors' assets, collecting outstanding receivables, facilitating the liquidation of the Debtors' assets, providing historical knowledge and insight to the Trustee regarding the Debtors' businesses and the chapter 11 cases, and concluding the administrative wind-down of the business after the disposition of the Debtors' assets. Wind-down costs assumed for purposes of this Liquidation Analysis consist of reduced general and administrative costs required to operate the Debtors' assets during the wind-down process; continuation of employment of key business operations personnel for two to three months; employment of key management at the Debtors for a three-to-six month period; incentive and/or severance payments to retain necessary personnel; real estate and office costs for retained employees; software-related expenses; and additional interest expense associated with the DIP Facility in connection with the Trustee's financing needs with respect to the liquidation.

Total wind-down expenses are estimated at approximately \$3.8 million to \$8.4 million for the Debtors in the three and six month wind-down periods, respectively.

16. **Professional Fees** include the cost of financial advisors, attorneys, and other professionals retained by the Trustee in connection with the wind-down of the estates (which professionals would be engaged in work related to claims reconciliation, asset recovery and necessary tax and accounting work, among other things). For purposes of this Liquidation Analysis, the professional fees are estimated as 1.5% of estimated proceeds available for distribution.

SECURED CLAIMS

For the purpose of this Liquidation Analysis, all proceeds available for distribution from assets that constitute collateral of the Debtors' prepetition secured lenders are assumed to be used to pay down prepetition secured claims pursuant to the priority set forth in the various intercreditor agreements among the Debtors' prepetition lenders. To the extent that there are deficiency claims, recoveries are treated in the following manner: (i) all Allowed deficiency claims in connection with prepetition secured debt are treated as unsecured claims and are paid on a *pari passu* basis with other unsecured creditors based on the value of their deficiency claim at the respective legal entity in which their claim exists; (ii) any recovery which would otherwise inure to the benefit of holders of 2016 Senior Subordinated Notes is assumed to be turned over to

holders of Allowed Secured Claims in accordance with the contractual terms governing such indebtedness and the recognition provided therefore pursuant to section 510(a) of the Bankruptcy Code; (iii) any recovery to the DIP Facility deficiency claim as a result of its administrative priority status is assumed to be turned over to pay down First Lien Indebtedness as an adequate protection payment related to the diminishment of secured collateral value. Proceeds distributed to holders of Allowed Administrative Claims arise from recoveries related to foreign subsidiaries. (See note 13.)

This Liquidation Analysis estimates that there would be no recoveries to holders of General Unsecured Claims.

17. **Revolving Credit Facility** includes the accrued fees and interest and reimbursement claims associated with outstanding letters of credit, which are assumed to be drawn under a chapter 7 liquidation, constituting obligations under a first lien senior secured revolving credit and letter of credit facility with maximum aggregate availability of \$60 million (the “**Revolving Credit Facility**”) outstanding pursuant to that certain Credit Agreement, dated as of July 3, 2014 (the “**Credit Agreement**”), among Altegrity Acquisition Corp., Altegrity, Inc., as borrower, Goldman Sachs Bank USA, in its capacity as administrative agent and collateral agent, and the lenders party thereto. As of the Liquidation Date, approximately \$20.8 million of face amount and accrued interest is assumed to be outstanding under the Revolving Credit Facility.

18. **Term Loan** includes the outstanding principal and accrued interest constituting obligations under a first lien senior secured term loan (the “**Term Loan**”) pursuant to the Credit Agreement. As of the Liquidation Date, approximately \$288.2 million is assumed to be outstanding under the Term Loan, including accrued interest and a make-whole premium of approximately \$8 million assumed to be owed as of the Liquidation Date.

19. **First Lien Notes** include obligations outstanding under the \$825 million of 9.50% Senior First Lien Secured Notes due 2019 (the “**First Lien Notes**”) issued pursuant to an Indenture dated as of July 3, 2014, with Wilmington Trust, N.A., as indenture trustee, Altegrity, Inc., as issuing agent, and the other Debtors, as guarantors. The outstanding amount of approximately \$1.078 billion includes accrued interest and a make-whole premium of approximately \$214 million assumed to be owed as of the Liquidation Date.

20. **DIP Facility** includes \$90 million in debtor-in-possession financing (the “**DIP Facility**”). The DIP Facility is secured by second lien super-priority priming liens on substantially all of the Debtors’ assets. The amount outstanding under the DIP Facility (net of funded amounts held in escrow) at the Liquidation Date is estimated to be \$49.2 million, including accrued pay-in-kind interest.

21. **Series 1 Senior Second Lien Notes** include obligations outstanding under the \$200 million in face amount of Senior Second Lien Secured 12.00% Cash Pay and 2.00% Pay-in-Kind Notes due 2020 (the “**Series 1 Second Lien Notes**”) issued pursuant to an Indenture dated as of July 3, 2014, with Wilmington Trust, N.A., as indenture trustee, Altegrity, Inc., as issuing agent, and the other Debtors, as guarantors. The amount outstanding under the Series 1 Second Lien Notes at the Liquidation Date is estimated to be \$295.5 million, including accrued interest and a

make-whole premium of approximately \$72 million assumed to be owed as of the Liquidation Date.

22. **Series 2 Second Lien Notes** include obligations outstanding under the approximately \$280 million in face amount of Senior Second Lien Secured 10.50% Cash Pay and 2.50% Pay-in-Kind Notes due 2020 (the “**Series 2 Second Lien Notes**”) issued pursuant to an Indenture dated as of July 3, 2014, with Wilmington Trust, N.A., as indenture trustee, Altegrity, Inc., as issuing agent, and the other Debtors, as guarantors. The amount outstanding under the Series 2 Second Lien Notes at the Liquidation Date is estimated to be \$405.0 million, including accrued interest and a make-whole premium of approximately \$95 million assumed to be owed as of the Liquidation Date.

23. **Third Lien Notes** include obligations outstanding under the approximately \$60.8 million in face amount of Senior Third Lien Secured 15.00% Pay-in-Kind Notes due 2021 (the “**Third Lien Notes**”) issued pursuant to an Indenture dated as of July 3, 2014, with Wilmington Trust, N.A., as indenture trustee, Altegrity, Inc., as issuing agent, and the other Debtors, as guarantors. The amount outstanding under the Third Lien Notes at the Liquidation Date is estimated to be \$102.0 million, including accrued interest and a make-whole premium of approximately \$41 million assumed to be owed as of the Liquidation Date.

ADMINISTRATIVE AND PRIORITY CLAIMS

24. **Total Administrative and Priority Claims** include the claims of the DIP Facility deficiency claims, including accrued interest, post-petition accounts payable, and unpaid tax obligations. Book values of Administrative and Priority Claims are estimated to reflect the value as of the Liquidation Date. Certain amounts of employee severance might be accorded priority status, which would further reduce recovery to other priority claims and General Unsecured Claims. Proceeds that would be available to satisfy Allowed Administrative Claims, Allowed Priority Tax Claims, Allowed Other Priority Claims in a chapter 7 would be distributed in strict order of priority of claims contained in section 726 of the Bankruptcy Code.

GENERAL UNSECURED CLAIMS

25. For the purpose of this Liquidation Analysis, **General Unsecured Claims** relate to the following unsecured claims that are subject to compromise:

2015 12.00% Senior Notes include \$11.6 million in aggregate principal amount and accrued interest of certain 12.00% Senior Notes due 2015 (the “**2015 12.00% Senior Notes**”) issued pursuant to an Indenture dated as of August 3, 2010, with Wells Fargo Bank, N.A., as indenture trustee, Altegrity, Inc., as issuing agent, and the other Debtors except Altegrity Holding Corp., as guarantors.

2015 10.50% Senior Notes include \$11.2 million in aggregate principal amount and accrued interest of certain 10.50% Senior Notes due 2015 (the “**2015 10.50% Senior Notes**”) issued pursuant to an Indenture dated as of October 24, 2007, with Wells Fargo Bank, N.A., as indenture trustee, Altegrity, Inc., as

issuing agent, and the other Debtors except Altegrity Holding Corp., as guarantors.

2016 Senior Subordinated Notes include \$30.2 million in aggregate principal amount and accrued interest of certain 11.75% Senior Subordinated Notes due 2016 (the “**2016 Senior Subordinated Notes**”) issued pursuant to an Indenture dated as of October 24, 2007, with Wells Fargo Bank, N.A., as indenture trustee, Altegrity, Inc., as issuing agent, and the other Debtors except Altegrity Holding Corp., as guarantors.

Junior Subordinated Notes include \$87.0 million in aggregate principal amount of certain zero coupon junior subordinated notes due 2022 (the “**Junior Subordinated Notes**”) issued pursuant to an Indenture dated as of August 3, 2010, with Wells Fargo Bank, N.A., as indenture trustee, Altegrity, Inc., as issuing agent, and the other Debtors except Altegrity Holding Corp., as guarantors.

All Other General Unsecured Claims include unsecured trade claims, intercompany payables, employee benefits claims in excess of the allowed priority cap, litigation claims, and all other Claims pursuant to section 101 of the Bankruptcy Code that are not secured or priority claims. If the Debtors convert their bankruptcy cases to cases under chapter 7 of the Bankruptcy Code, the Debtors estimate that the amount of General Unsecured Claims would increase substantially as, for example and without limitation, the significant number of customers and vendors that are counterparties to prepetition contracts and leases could file Claims for contract rejection damages and a large number of employees could file Claims for severance and other benefits. Such contract and lease rejection Claims and employee Claims would be *pari passu* with the Debtors current General Unsecured Claims (unless, as noted above, employee severance were accorded priority status). However, the Debtors estimate that no recovery would be available to any such creditors in a liquidation scenario.

**Consolidated Altegrity
Liquidation Analysis**

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ 144,800	100%	100%	\$ 144,800	\$ 144,800	1
Accounts Receivable	99,168	65%	80%	64,459	79,334	2
Prepaid and Refundable taxes	10,316	15%	40%	1,547	4,126	3
Prepaid Expenses and Other Current Assets	14,122	0%	1%	42	106	4
Deferred Tax Assets	24,407	0%	0%	-	-	5
Other Receivables	5,148	12%	24%	619	1,238	6
Property and equipment, net	59,529	4%	8%	2,348	4,503	7
LT Assets	8,557	0%	0%	-	-	8
Intangible Assets Net	300,341	29%	52%	88,054	154,912	9
Goodwill	725,875	0%	0%	-	-	10
Other Assets	1,679	0%	0%	-	-	11
Debt Issuance Cost	26,620	0%	0%	-	-	12
Investment in Inter-company Receivables	-			4,651	4,955	13
Investment in Foreign Subsidiaries	-			37,486	47,219	13
Total Assets / Proceeds	\$ 1,420,563			\$ 344,008	\$ 441,194	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ 10,320	\$ 13,236	14
Wind-down Costs				8,444	3,772	15
Professional Fees				5,160	6,618	16
Total Liquidation Expense				\$ 23,924	\$ 23,625	
Net Estimated Proceeds Available for Distribution				\$ 320,084	\$ 417,569	
Amount Retained for Benefit of Administrative and Unsecured Creditors Claims				\$ 10,513	\$ 13,998	
Total Proceeds Available for Distribution to Secured Claims				\$ 309,571	\$ 403,571	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 309,571	\$ 403,571	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					363	3,847	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 309,933	\$ 407,418	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	22.3%	29.4%	\$ 4,649	\$ 6,111	17
Term Loan ²	288,198	288,198	22.3%	29.4%	64,400	84,656	18
First Lien Notes ²	1,077,992	1,077,992	22.3%	29.4%	240,885	316,651	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ 49,172	\$ 49,172	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,238,695	\$ 2,238,695	13.8%	18.2%	\$ 309,933	\$ 407,418	
Secured Lender Deficiency Claim (General Unsecured Claim)³					\$ 1,977,934	\$ 1,880,449	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ 10,513	\$ 13,998	
Less Administrative Claims:							
Professional Fees Carve-out	\$ 10,151	\$ 10,151	100.0%	100.0%	\$ 10,151	\$ 10,151	
DIP Facility Deficiency Claims ¹	49,172	49,172	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	27,400	27,400	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 86,723	\$ 86,723	11.7%	11.7%	\$ 10,151	\$ 10,151	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	159,326	159,326	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 268,878	\$ 268,878	3.8%	3.8%	\$ 10,151	\$ 10,151	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.³ Includes DIP Facility deficiency claims.

Altegrity Acquisition Corp.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Albatross Holding Company, LLC
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Albatross Marketing and Trading, LLC
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ 23	100%	100%	\$ 23	\$ 23	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ 23			\$ 23	\$ 23	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ 1	\$ 1	14
Wind-down Costs				1	0	15
Professional Fees				0	0	16
Total Liquidation Expense				\$ 2	\$ 1	
Net Estimated Proceeds Available for Distribution				\$ 21	\$ 21	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ 21	\$ 21	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 21	\$ 21	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 21	\$ 21	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ 0	\$ 0	17
Term Loan ²	288,198	288,198	0.0%	0.0%	4	4	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	16	17	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ 21	\$ 21	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,144	119,144	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,973	\$ 141,973	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.

² Includes recovery under adequate protection claims.

Altegrity, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ 144,500	100%	100%	\$ 144,500	\$ 144,500	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	10,316	15%	40%	1,547	4,126	3
Prepaid Expenses and Other Current Assets	2,757	0%	0%	-	-	4
Deferred Tax Assets	22,011	0%	0%	-	-	5
Other Receivables	3,426	12%	24%	411	822	6
Property and equipment, net	2,100	4%	9%	94	195	7
LT Assets	6,876	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	26,620	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	84	94	13
Investment in Foreign Subsidiaries	-	-	-	-	-	13
Total Assets / Proceeds	\$ 218,605			\$ 146,636	\$ 149,738	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees	-	-	-	\$ 4,399	\$ 4,492	14
Wind-down Costs	-	-	-	3,599	1,280	15
Professional Fees	-	-	-	2,200	2,246	16
Total Liquidation Expense				\$ 10,198	\$ 8,018	
Net Estimated Proceeds Available for Distribution				\$ 136,438	\$ 141,720	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ 136,438	\$ 141,720	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 136,438	\$ 141,720	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 136,438	\$ 141,720	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	9.8%	10.2%	\$ 2,046	\$ 2,126	17
Term Loan ²	288,198	288,198	9.8%	10.2%	28,350	29,447	18
First Lien Notes ²	1,077,992	1,077,992	9.8%	10.2%	106,042	110,147	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	6.2%	6.5%	\$ 136,438	\$ 141,720	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	3,498	3,498	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 3,498	\$ 3,498	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	132,195	132,195	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 158,522	\$ 158,522	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Altegrity Holding Corp.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Ategrity Risk International LLC
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Altegrity Security Consulting, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

CVM Solutions, LLC
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ 278	100%	100%	\$ 278	\$ 278	1
Accounts Receivable	2,688	65%	80%	1,747	2,151	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	292	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	1,340	4%	9%	54	117	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	2,394	29%	52%	702	1,235	9
Goodwill	9,948	0%	0%	-	-	10
Other Assets	8	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	-	-	13
Investment in Foreign Subsidiaries	-	-	-	-	-	13
Total Assets / Proceeds	\$ 16,948			\$ 2,781	\$ 3,780	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ 83	\$ 113	14
Wind-down Costs				68	32	15
Professional Fees				42	57	16
Total Liquidation Expense				\$ 193	\$ 202	
Net Estimated Proceeds Available for Distribution				\$ 2,588	\$ 3,578	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ 2,588	\$ 3,578	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 2,588	\$ 3,578	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 2,588	\$ 3,578	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.2%	0.3%	\$ 39	\$ 54	17
Term Loan ²	288,198	288,198	0.2%	0.3%	538	743	18
First Lien Notes ²	1,077,992	1,077,992	0.2%	0.3%	2,011	2,781	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.1%	0.2%	\$ 2,588	\$ 3,578	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	578	578	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 578	\$ 578	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	123,594	123,594	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 147,001	\$ 147,001	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

D, D & C, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.

² Includes recovery under adequate protection claims.

FDC Acquisition, Inc
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Engenium Corporation
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

HireRight Records Services, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	15	10%	25%	1	4	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	1	12%	24%	0	0	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	-	-	13
Investment in Foreign Subsidiaries	-	-	-	-	-	13
Total Assets / Proceeds	\$ 16			\$ 2	\$ 4	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ 0	\$ 0	14
Wind-down Costs				0	0	15
Professional Fees				0	0	16
Total Liquidation Expense				\$ 0	\$ 0	
Net Estimated Proceeds Available for Distribution				\$ 1	\$ 4	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ 1	\$ 4	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 1	\$ 4	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 1	\$ 4	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ 0	\$ 0	17
Term Loan ²	288,198	288,198	0.0%	0.0%	0	1	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	1	3	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ 1	\$ 4	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	1	1	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 1	\$ 1	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,441	119,441	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 142,271	\$ 142,271	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

HireRight Solutions, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	13,123	65%	80%	8,530	10,499	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	918	4%	11%	41	102	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	172	12%	24%	21	41	6
Property and equipment, net	1,489	8%	19%	125	289	7
LT Assets	333	0%	0%	-	-	8
Intangible Assets Net	59,162	29%	52%	17,345	30,515	9
Goodwill	116,606	0%	0%	-	-	10
Other Assets	1,354	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	3	4	13
Investment in Foreign Subsidiaries	-	-	-	-	-	13
Total Assets / Proceeds	\$ 193,157			\$ 26,065	\$ 41,450	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees	-	-	-	\$ 782	\$ 1,243	14
Wind-down Costs	-	-	-	640	354	15
Professional Fees	-	-	-	391	622	16
Total Liquidation Expense				\$ 1,813	\$ 2,220	
Net Estimated Proceeds Available for Distribution				\$ 24,252	\$ 39,230	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ 24,252	\$ 39,230	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 24,252	\$ 39,230	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 24,252	\$ 39,230	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	1.7%	2.8%	\$ 364	\$ 588	17
Term Loan ²	288,198	288,198	1.7%	2.8%	5,039	8,151	18
First Lien Notes ²	1,077,992	1,077,992	1.7%	2.8%	18,849	30,490	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	1.1%	1.8%	\$ 24,252	\$ 39,230	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	1,601	1,601	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 1,601	\$ 1,601	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	126,186	126,186	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 150,617	\$ 150,617	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

HireRight Technologies Group, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

HireRight, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	27,095	65%	80%	17,611	21,676	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	2,556	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	1,512	12%	24%	181	363	6
Property and equipment, net	13,844	4%	9%	569	1,226	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	42,714	29%	52%	12,523	22,031	9
Goodwill	69,556	0%	0%	-	-	10
Other Assets	14	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	2,436	2,565	13
Investment in Foreign Subsidiaries	-	-	-	11,523	14,356	13
Total Assets / Proceeds	\$ 157,291			\$ 44,843	\$ 62,217	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees	-	-	-	\$ 1,345	\$ 1,867	14
Wind-down Costs	-	-	-	1,101	532	15
Professional Fees	-	-	-	673	933	16
Total Liquidation Expense				\$ 3,119	\$ 3,332	
Net Estimated Proceeds Available for Distribution				\$ 41,725	\$ 58,885	
Amount Retained for Benefit of Unsecured Creditors				\$ 3,232	\$ 4,256	
Total Proceeds Available for Distribution to Secured Claims				\$ 38,493	\$ 54,629	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 38,493	\$ 54,629	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					111	1,170	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 38,605	\$ 55,799	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	2.8%	4.0%	\$ 579	\$ 837	17
Term Loan ²	288,198	288,198	2.8%	4.0%	8,022	11,594	18
First Lien Notes ²	1,077,992	1,077,992	2.8%	4.0%	30,004	43,368	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ 15,115	\$ 14,950	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,204,638	\$ 2,204,473	1.8%	2.5%	\$ 38,605	\$ 55,799	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ 3,232	\$ 4,256	
Less Administrative Claims:							
Professional Fees Carve-out	\$ 3,120	\$ 3,086	100.0%	98.9%	\$ 3,120	\$ 3,086	
DIP Facility Deficiency Claims ¹	15,115	14,950	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	5,862	5,862	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 20,977	\$ 20,812	14.9%	14.7%	\$ 3,120	\$ 3,086	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	136,258	136,258	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 180,064	\$ 179,899	1.7%	1.7%	\$ 3,120	\$ 3,086	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

John D. Cohen, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.

² Includes recovery under adequate protection claims.

KCMS, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

KIA Holding, LLC
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.

² Includes recovery under adequate protection claims.

Kroll Associates, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	20,347	65%	80%	13,225	16,277	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	874	0%	0%	-	-	4
Deferred Tax Assets	761	0%	0%	-	-	5
Other Receivables	(10)	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	100	0%	0%	-	-	8
Intangible Assets Net	24,761	29%	52%	7,259	12,771	9
Goodwill	116,289	0%	0%	-	-	10
Other Assets	217	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	851	966	13
Investment in Foreign Subsidiaries	-	-	-	300	599	13
Total Assets / Proceeds	\$ 163,339			\$ 21,636	\$ 30,613	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees	-	-	-	\$ 649	\$ 918	14
Wind-down Costs	-	-	-	531	262	15
Professional Fees	-	-	-	325	459	16
Total Liquidation Expense				\$ 1,505	\$ 1,639	
Net Estimated Proceeds Available for Distribution				\$ 20,131	\$ 28,974	
Amount Retained for Benefit of Unsecured Creditors				\$ 84	\$ 178	
Total Proceeds Available for Distribution to Secured Claims				\$ 20,047	\$ 28,796	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 20,047	\$ 28,796	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					3	49	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 20,050	\$ 28,845	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	1.4%	2.1%	\$ 301	\$ 433	17
Term Loan ²	288,198	288,198	1.4%	2.1%	4,166	5,994	18
First Lien Notes ²	1,077,992	1,077,992	1.4%	2.1%	15,583	22,419	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ 393	\$ 624	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,916	\$ 2,190,147	0.9%	1.3%	\$ 20,050	\$ 28,845	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ 84	\$ 178	
Less Administrative Claims:							
Professional Fees Carve-out	\$ 81	\$ 129	100.0%	158.8%	\$ 81	\$ 129	
DIP Facility Deficiency Claims ¹	393	624	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	2,029	2,029	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 2,422	\$ 2,653	3.3%	5.3%	\$ 81	\$ 129	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	131,659	131,659	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 156,910	\$ 157,141	0.1%	0.1%	\$ 81	\$ 129	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Kroll Background America, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	3,627	65%	80%	2,357	2,901	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	40	0%	0%	-	-	4
Deferred Tax Assets	1,007	0%	0%	-	-	5
Other Receivables	1	12%	24%	0	0	6
Property and equipment, net	2,561	1%	3%	38	85	7
LT Assets	12	0%	0%	-	-	8
Intangible Assets Net	17,277	29%	52%	5,065	8,911	9
Goodwill	44,088	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	89	110	13
Investment in Foreign Subsidiaries	-	-	-	-	-	13
Total Assets / Proceeds	\$ 68,612			\$ 7,549	\$ 12,008	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees	-	-	-	\$ 226	\$ 360	14
Wind-down Costs	-	-	-	185	103	15
Professional Fees	-	-	-	113	180	16
Total Liquidation Expense				\$ 525	\$ 643	
Net Estimated Proceeds Available for Distribution				\$ 7,024	\$ 11,365	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ 7,024	\$ 11,365	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 7,024	\$ 11,365	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 7,024	\$ 11,365	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.5%	0.8%	\$ 105	\$ 170	17
Term Loan ²	288,198	288,198	0.5%	0.8%	1,460	2,361	18
First Lien Notes ²	1,077,992	1,077,992	0.5%	0.8%	5,459	8,833	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.3%	0.5%	\$ 7,024	\$ 11,365	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	1,425	1,425	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 1,425	\$ 1,425	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	124,552	124,552	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 148,806	\$ 148,806	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Kroll Crisis Management Group, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	(1)	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ (1)			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	0	0	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 0	\$ 0	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,953	\$ 141,953	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Kroll Cyber Security, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	2,547	65%	80%	1,656	2,038	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	341	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	231	9%	19%	22	44	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	6,698	0%	0%	-	-	10
Other Assets	2	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	0	0	13
Investment in Foreign Subsidiaries	-	-	-	-	-	13
Total Assets / Proceeds	\$ 9,820			\$ 1,678	\$ 2,082	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees	-	-	-	\$ 50	\$ 62	14
Wind-down Costs	-	-	-	41	18	15
Professional Fees	-	-	-	25	31	16
Total Liquidation Expense				\$ 117	\$ 111	
Net Estimated Proceeds Available for Distribution				\$ 1,561	\$ 1,970	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ 1,561	\$ 1,970	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 1,561	\$ 1,970	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 1,561	\$ 1,970	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.1%	0.1%	\$ 23	\$ 30	17
Term Loan ²	288,198	288,198	0.1%	0.1%	324	409	18
First Lien Notes ²	1,077,992	1,077,992	0.1%	0.1%	1,213	1,531	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.1%	0.1%	\$ 1,561	\$ 1,970	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	238	238	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 238	\$ 238	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	120,675	120,675	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 143,742	\$ 143,742	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Kroll Factual Data, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.

² Includes recovery under adequate protection claims.

Kroll Holdings, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Kroll Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	15%	40%	-	-	3
Prepaid Expenses and Other Current Assets	1,289	0%	0%	-	-	4
Deferred Tax Assets	27	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	5	10%	20%	1	1	7
IT Assets	25	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	(73,922)	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	4	8	13
Investment in Foreign Subsidiaries	-	-	-	6,202	7,589	13
Total Assets / Proceeds	\$ (72,576)			\$ 6,207	\$ 7,598	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees	-	-	-	\$ 186	\$ 228	14
Wind-down Costs	-	-	-	152	65	15
Professional Fees	-	-	-	93	114	16
Total Liquidation Expense				\$ 432	\$ 407	
Net Estimated Proceeds Available for Distribution				\$ 5,775	\$ 7,191	
Amount Retained for Benefit of Unsecured Creditors				\$ 1,739	\$ 2,250	
Total Proceeds Available for Distribution to Secured Claims				\$ 4,036	\$ 4,941	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 4,036	\$ 4,941	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					60	618	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 4,096	\$ 5,560	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.3%	0.4%	\$ 61	\$ 83	17
Term Loan ²	288,198	288,198	0.3%	0.4%	851	1,155	18
First Lien Notes ²	1,077,992	1,077,992	0.3%	0.4%	3,183	4,321	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ 8,136	\$ 7,903	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,197,659	\$ 2,197,426	0.2%	0.3%	\$ 4,096	\$ 5,560	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ 1,739	\$ 2,250	
Less Administrative Claims:							
Professional Fees Carve-out	\$ 1,679	\$ 1,631	100.0%	97.1%	\$ 1,679	\$ 1,631	
DIP Facility Deficiency Claims ¹	8,136	7,903	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	(32)	(32)	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 8,104	\$ 7,871	20.7%	20.1%	\$ 1,679	\$ 1,631	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	120,666	120,666	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 151,599	\$ 151,366	1.1%	1.1%	\$ 1,679	\$ 1,631	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Kroll Information Assurance, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	3,942	65%	80%	2,562	3,153	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	741	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	221	9%	21%	20	47	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	52,248	29%	52%	15,318	26,949	9
Goodwill	105,513	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	-	-	13
Investment in Foreign Subsidiaries	-	-	-	-	-	13
Total Assets / Proceeds	\$ 162,665			\$ 17,900	\$ 30,149	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ 537	\$ 904	14
Wind-down Costs				439	258	15
Professional Fees				269	452	16
Total Liquidation Expense				\$ 1,245	\$ 1,614	
Net Estimated Proceeds Available for Distribution				\$ 16,655	\$ 28,535	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ 16,655	\$ 28,535	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 16,655	\$ 28,535	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 16,655	\$ 28,535	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	1.2%	2.1%	\$ 250	\$ 428	17
Term Loan ²	288,198	288,198	1.2%	2.1%	3,461	5,929	18
First Lien Notes ²	1,077,992	1,077,992	1.2%	2.1%	12,945	22,178	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.8%	1.3%	\$ 16,655	\$ 28,535	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	561	561	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 561	\$ 561	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	124,064	124,064	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 147,454	\$ 147,454	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Kroll Information Services, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Kroll International, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	(14)	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	14	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			50	59	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ 50	\$ 59	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees	-			\$ 1	\$ 2	14
Wind-down Costs	-			1	1	15
Professional Fees	-			1	1	16
Total Liquidation Expense				\$ 3	\$ 3	
Net Estimated Proceeds Available for Distribution				\$ 46	\$ 56	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ 46	\$ 56	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 46	\$ 56	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 46	\$ 56	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ 1	\$ 1	17
Term Loan ²	288,198	288,198	0.0%	0.0%	10	12	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	36	44	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ 46	\$ 56	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Kroll Ontrack Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	22,965	65%	80%	14,927	18,372	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	4,281	0%	0%	-	-	4
Deferred Tax Assets	653	0%	0%	-	-	5
Other Receivables	42	12%	24%	5	10	6
Property and equipment, net	30,592	2%	5%	692	1,402	7
IT Assets	1,212	0%	0%	-	-	8
Intangible Assets Net	99,459	29%	52%	29,159	51,299	9
Goodwill	326,987	0%	0%	-	-	10
Other Assets	84	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	1,127	1,138	13
Investment in Foreign Subsidiaries	-	-	-	-	21	13
Total Assets / Proceeds	\$ 486,276			\$ 45,911	\$ 72,242	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees	-	-	-	\$ 1,377	\$ 2,167	14
Wind-down Costs	-	-	-	1,127	618	15
Professional Fees	-	-	-	689	1,084	16
Total Liquidation Expense				\$ 3,193	\$ 3,868	
Net Estimated Proceeds Available for Distribution				\$ 42,718	\$ 68,373	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ 6	
Total Proceeds Available for Distribution to Secured Claims				\$ 42,718	\$ 68,367	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 42,718	\$ 68,367	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	2	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 42,718	\$ 68,369	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	3.1%	4.9%	\$ 641	\$ 1,025	17
Term Loan ²	288,198	288,198	3.1%	4.9%	8,876	14,206	18
First Lien Notes ²	1,077,992	1,077,992	3.1%	4.9%	33,201	53,137	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ 22	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,545	2.0%	3.1%	\$ 42,718	\$ 68,369	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ 6	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ 4	0.0%	0.0%	\$ -	\$ 4	
DIP Facility Deficiency Claims ¹	-	22	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	1,577	1,577	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 1,577	\$ 1,599	0.0%	0.3%	\$ -	\$ 4	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	139,468	139,468	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 163,874	\$ 163,896	0.0%	0.0%	\$ -	\$ 4	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Kroll Recovery LLC
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Kroll Security Group, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	1,163	65%	80%	756	931	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	2	0%	0%	-	-	4
Deferred Tax Assets	(38)	0%	0%	-	-	5
Other Receivables	(0)	12%	24%	(0)	(0)	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	48	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	7	12	13
Investment in Foreign Subsidiaries	-	-	-	-	-	13
Total Assets / Proceeds	\$ 1,174			\$ 763	\$ 943	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees	-	-	-	\$ 23	\$ 28	14
Wind-down Costs	-	-	-	19	8	15
Professional Fees	-	-	-	11	14	16
Total Liquidation Expense				\$ 53	\$ 50	
Net Estimated Proceeds Available for Distribution				\$ 710	\$ 892	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ 710	\$ 892	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 710	\$ 892	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 710	\$ 892	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.1%	0.1%	\$ 11	\$ 13	17
Term Loan ²	288,198	288,198	0.1%	0.1%	147	185	18
First Lien Notes ²	1,077,992	1,077,992	0.1%	0.1%	552	693	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ 710	\$ 892	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	199	199	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 199	\$ 199	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,656	119,656	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 142,684	\$ 142,684	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

National Diagnostics, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	1,671	65%	80%	1,086	1,337	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	17	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	6	12%	24%	1	1	6
Property and equipment, net	1,207	4%	10%	51	122	7
IT Assets	-	0%	0%	-	-	8
Intangible Assets Net	2,327	29%	52%	682	1,200	9
Goodwill	4,050	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	-	-	13
Investment in Foreign Subsidiaries	-	-	-	-	-	13
Total Assets / Proceeds	\$ 9,278			\$ 1,821	\$ 2,660	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ 55	\$ 80	14
Wind-down Costs				45	23	15
Professional Fees				27	40	16
Total Liquidation Expense				\$ 127	\$ 142	
Net Estimated Proceeds Available for Distribution				\$ 1,694	\$ 2,518	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ 1,694	\$ 2,518	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 1,694	\$ 2,518	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 1,694	\$ 2,518	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.1%	0.2%	\$ 25	\$ 38	17
Term Loan ²	288,198	288,198	0.1%	0.2%	352	523	18
First Lien Notes ²	1,077,992	1,077,992	0.1%	0.2%	1,317	1,957	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.1%	0.1%	\$ 1,694	\$ 2,518	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	987	987	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 987	\$ 987	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	121,678	121,678	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 145,494	\$ 145,494	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Ontrack Data Recovery, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			19,462	24,654	13
Total Assets / Proceeds	\$ -			\$ 19,462	\$ 24,654	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ 584	\$ 740	14
Wind-down Costs				478	211	15
Professional Fees				292	370	16
Total Liquidation Expense				\$ 1,353	\$ 1,320	
Net Estimated Proceeds Available for Distribution				\$ 18,108	\$ 23,334	
Amount Retained for Benefit of Unsecured Creditors				\$ 5,458	\$ 7,309	
Total Proceeds Available for Distribution to Secured Claims				\$ 12,650	\$ 16,025	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 12,650	\$ 16,025	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					188	2,009	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 12,838	\$ 18,034	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.9%	1.3%	\$ 193	\$ 270	17
Term Loan ²	288,198	288,198	0.9%	1.3%	2,668	3,747	18
First Lien Notes ²	1,077,992	1,077,992	0.9%	1.3%	9,978	14,016	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ 25,529	\$ 25,674	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,215,052	\$ 2,215,197	0.6%	0.8%	\$ 12,838	\$ 18,034	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ 5,458	\$ 7,309	
Less Administrative Claims:							
Professional Fees Carve-out	\$ 5,270	\$ 5,300	100.0%	100.6%	\$ 5,270	\$ 5,300	
DIP Facility Deficiency Claims ¹	25,529	25,674	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ 25,529	\$ 25,674	20.6%	20.8%	\$ 5,270	\$ 5,300	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 167,480	\$ 167,625	3.1%	3.2%	\$ 5,270	\$ 5,300	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

Personnel Records International, LLC
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	▼	▼	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	▼	▼	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.² Includes recovery under adequate protection claims.

The Official Information Company
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.

² Includes recovery under adequate protection claims.

US Investigations Services, LLC
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	5,938	11%	16%	683	975	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-	-	-	-	-	13
Investment in Foreign Subsidiaries	-	-	-	-	-	13
Total Assets / Proceeds	\$ 5,938			\$ 683	\$ 975	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ 20	\$ 29	14
Wind-down Costs				17	8	15
Professional Fees				10	15	16
Total Liquidation Expense				\$ 47	\$ 52	
Net Estimated Proceeds Available for Distribution				\$ 635	\$ 923	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ 635	\$ 923	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ 635	\$ 923	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ 635	\$ 923	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.1%	\$ 10	\$ 14	17
Term Loan ²	288,198	288,198	0.0%	0.1%	132	192	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.1%	494	717	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ 635	\$ 923	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.

² Includes recovery under adequate protection claims.

USIS International, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.

² Includes recovery under adequate protection claims.

USIS Worldwide, Inc.
Liquidation Analysis

I. CALCULATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION

(\$ in 000s)

	Net Book Value	Estimated Recovery Rate Range		Estimated Recovery		See Note
		Lower	Higher	Lower	Higher	
A. STATEMENT OF ASSETS						
Cash and Equivalents	\$ -	0%	0%	\$ -	\$ -	1
Accounts Receivable	-	0%	0%	-	-	2
Prepaid and Refundable taxes	-	0%	0%	-	-	3
Prepaid Expenses and Other Current Assets	-	0%	0%	-	-	4
Deferred Tax Assets	-	0%	0%	-	-	5
Other Receivables	-	0%	0%	-	-	6
Property and equipment, net	-	0%	0%	-	-	7
LT Assets	-	0%	0%	-	-	8
Intangible Assets Net	-	0%	0%	-	-	9
Goodwill	-	0%	0%	-	-	10
Other Assets	-	0%	0%	-	-	11
Debt Issuance Cost	-	0%	0%	-	-	12
Investment in Inter-company Receivables	-			-	-	13
Investment in Foreign Subsidiaries	-			-	-	13
Total Assets / Proceeds	\$ -			\$ -	\$ -	
B. LIQUIDATION EXPENSE						
Chapter 7 Trustee Fees				\$ -	\$ -	14
Wind-down Costs				-	-	15
Professional Fees				-	-	16
Total Liquidation Expense				\$ -	\$ -	
Net Estimated Proceeds Available for Distribution				\$ -	\$ -	
Amount Retained for Benefit of Unsecured Creditors				\$ -	\$ -	
Total Proceeds Available for Distribution to Secured Claims				\$ -	\$ -	

II. ALLOCATION OF NET ESTIMATED PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Secured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution from Secured Collateral					\$ -	\$ -	
Proceeds Available For Distribution of Adequate Protection Payments for First Lien Indebtedness ¹					-	-	
Proceeds Available For Distribution to 1st Lien Lender Claims					\$ -	\$ -	
Pre-Petition 1st Lien Secured Liabilities							
Revolving Credit Facility ²	\$ 20,803	\$ 20,803	0.0%	0.0%	\$ -	\$ -	17
Term Loan ²	288,198	288,198	0.0%	0.0%	-	-	18
First Lien Notes ²	1,077,992	1,077,992	0.0%	0.0%	-	-	19
Net Estimated Proceeds After 1st Lien Lender Claims					\$ -	\$ -	
DIP Facility	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	20
Pre-Petition 2nd Lien Secured Liabilities							
Series 1 Second Lien Notes	\$ 295,514	\$ 295,514	0.0%	0.0%	\$ -	\$ -	21
Series 2 Second Lien Notes	404,987	404,987	0.0%	0.0%	-	-	22
Net Estimated Proceeds After 2nd Lien Lender Claims					\$ -	\$ -	
Pre-Petition 3rd Lien Secured Liabilities							
Third Lien Notes	\$ 102,027	\$ 102,027	0.0%	0.0%	\$ -	\$ -	23
Net Secured Claims and Distributions	\$ 2,189,523	\$ 2,189,523	0.0%	0.0%	\$ -	\$ -	

III. ALLOCATION OF NET ESTIMATED PROCEEDS TO ADMINISTRATIVE, PRIORITY AND GENERAL UNSECURED CLAIMS

	Estimated Allowed Allowed Claims		Estimated Recovery Range		Estimated Recovery on Administrative, Priority, and General Unsecured Claims		See Note
	Higher	Lower	Lower	Higher	Lower	Higher	
Proceeds Available For Distribution to Administrative, Priority and Unsecured Claims					\$ -	\$ -	
Less Administrative Claims:							
Professional Fees Carve-out	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
DIP Facility Deficiency Claims ¹	-	-	0.0%	0.0%	-	-	20
Post-Petition Accounts Payable	-	-	0.0%	0.0%	-	-	
Total Administrative Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
Net Estimated Proceeds After Administrative Claims					\$ -	\$ -	
Priority Claims	\$ -	\$ -	0.0%	0.0%	\$ -	\$ -	
General Unsecured Claims	119,123	119,123	0.0%	0.0%	-	-	
Net Unsecured Claims and Distributions	\$ 141,952	\$ 141,952	0.0%	0.0%	\$ -	\$ -	

¹ DIP Facility deficiency claim recoveries assumed turned over to pay First Lien Indebtedness as adequate protection against diminishment of secured collateral value.

² Includes recovery under adequate protection claims.

EXHIBIT E – FINANCIAL PROJECTIONS

Exhibit E

Financial Projections

DEBTORS' FINANCIAL PROJECTIONS AND ASSUMPTIONS

A. Introduction

The Debtors' management and advisors prepared consolidated financial projections (the "**Projections**") for the three months ending September 30, 2015 and the fiscal years ending September 30, 2016 through September 30, 2019 (the "**Projection Period**"). These Projections were completed in January 2015 and have been prepared on a consolidated basis, consistent with the Company's financial reporting practices, and include the continuing operations of the Debtor and non-Debtor entities. The Debtors have prepared the Projections to assist the Bankruptcy Court in determining whether the Plan meets the "feasibility" requirements of section 1129(a) (11) of title 11 the Bankruptcy Code. The Debtors believe that the Plan meets such requirements. In connection with the negotiation and development of the Plan, and for the purpose of determining whether the Plan meets the feasibility standard outlined in the Bankruptcy Code, the Debtors analyzed their ability to satisfy their financial obligations while maintaining sufficient liquidity and capital resources during the Projection Period. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in either the Disclosure Statement or the Plan, as applicable.

The Projections assume the Plan will be implemented in accordance with its stated terms and present, to the best of the Debtors' knowledge and belief, the Reorganized Company's projected financial position, results of operations, and cash flows for the Projection Period and reflect the Debtors' assumptions and judgments based on an estimated emergence date of June 30, 2015 (the "**Assumed Emergence Date**"). Although the Debtors are of the opinion that these assumptions are reasonable under current circumstances, such assumptions are subject to inherent uncertainties, including but not limited to, material changes in the economic and competitive environment, ability to attract and retain key talent, subcontract labor rates, technology related and other costs, and other factors affecting the Company's businesses. See also section [XII] of the Disclosure Statement entitled "Risk Factors". In addition, as further outlined below in Summary of Significant Assumptions, the Projections for the three months ending September 30, 2015, reflect certain assumptions and judgments of the Debtors regarding the financial performance of the Reorganized Company post the Assumed Emergence Date of June 30, 2015. These assumptions include increased revenues and Adjusted EBITDA in both the Company's Kroll and HireRight businesses during the three months ending September 30, 2015, in comparison to preliminary financial results for the three months ended December 31, 2014 and estimated financial results for the three months ending March 31, 2015. Should actual

financial results for the three months ending September 30, 2015 differ from the Projections, financial results for future Projection periods may be adversely impacted.

The Projections should be read in conjunction with the assumptions and qualifications contained herein. The likelihood, and related financial impact, of a change in any of the factors, assumptions and judgments underlying these Projections cannot be predicted with certainty. Consequently, actual financial results could differ materially from the Projections.

The Debtors do not, as a matter of course, publish their projections, strategies, or forward-looking projections of their financial position, results of operations, and cash flows. Accordingly, the Debtors do not anticipate that they will, and disclaim any obligation to, furnish updated projections to the holders of Claims or equity interests after the date of this Disclosure Statement or to otherwise make such information public. The assumptions disclosed herein are those that the Debtors believe to be significant to the Projections and are “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995.

WHERE DESCRIBED OR REFERENCED, FISCAL YEAR 2014 RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE. ADDITIONALLY, HISTORICAL RESULTS MAY BE MODIFIED AS THE COMPANY COMPLETES ITS REVIEW OF THE ACCOUNTING FOR THE GS&S SALE AND THE KFD SALE.

THE PROJECTIONS WERE NOT PREPARED WITH A VIEW TOWARD COMPLIANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (“**GAAP**”) IN THE UNITED STATES. FURTHERMORE, THE PROJECTIONS HAVE NOT BEEN AUDITED OR REVIEWED BY A REGISTERED INDEPENDENT PUBLIC ACCOUNTING FIRM.

THE PROJECTIONS, WHILE PRESENTED WITH NUMERICAL SPECIFICITY, ARE BASED UPON A VARIETY OF ESTIMATES AND ASSUMPTIONS THAT MAY NOT BE REALIZED AND ARE SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC AND COMPETITIVE UNCERTAINTIES AND CONTINGENCIES THAT ARE BEYOND THE CONTROL OF THE DEBTORS. CONSEQUENTLY, THE PROJECTIONS SHOULD NOT BE REGARDED AS A REPRESENTATION OR WARRANTY BY THE DEBTORS, OR ANY OTHER PERSON, AS TO THE ACCURACY OF THE PROJECTIONS OR THAT THE PROJECTIONS WILL BE REALIZED. ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THOSE PRESENTED IN THE PROJECTIONS. HOLDERS OF CLAIMS OR EQUITY INTERESTS MUST MAKE THEIR OWN ASSESSMENT AS TO THE REASONABLENESS OF SUCH ASSUMPTIONS AND THE RELIABILITY OF THE PROJECTIONS IN MAKING THEIR DETERMINATION OF WHETHER TO ACCEPT OR REJECT THE PLAN.

ADJUSTED EBITDA AS SET FORTH HEREIN IS A SUPPLEMENTAL MEASURE OF THE COMPANY’S EARNINGS AND ABILITY TO GENERATE CASH THAT IS NOT

REQUIRED BY, OR PRESENTED IN ACCORDANCE WITH GAAP. ADJUSTED EBITDA IS NOT A MEASUREMENT OF THE COMPANY'S FINANCIAL PRERFORMANCE OR PROJECTED FINANCIAL PERFORMANCE UNDER GAAP AND SHOULD NOT BE CONSIDERED AS AN ALTERNATIVE TO INCOME FROM OPERATIONS, INCOME (LOSS) BEFORE INCOME TAXES, OR ANY OTHER PERFORMANCE MEASURES DERIVED IN ACCORDANCE WITH GAAP, OR AS AN ALTERNATIVE TO CASH FLOW FROM OPERATING ACTIVITIES AS A MEASURE OF LIQUIDITY. IN ADDITION, THE COMPANY'S MEASUREMENT OF ADJUSTED EBITDA MAY NOT BE COMPARABLE TO THAT OF OTHER COMPANIES.

B. Summary of Significant Assumptions

The Projections were developed by the Debtors' management using detailed assumptions for the revenues and costs of each business unit comprising the Company's continuing operations. The Debtors considered the following factors in developing the Projections:

- (i) current and projected market and pricing conditions in each of the Company's respective service areas and local markets;
- (ii) the Company's ability to maintain existing staff and hire key employees to support core growth;
- (iii) the Company's ability to leverage its existing capabilities and gain market share in existing and new markets;
- (iv) the Company's ability to attract and hire key talent to expand its business in high growth markets;
- (v) the Company's ability to manage costs and improve its efficiency levels;
- (vi) capital expenditures consistent with historical levels to support management's growth assumptions;
- (vii) an orderly chapter 11 process with an estimated emergence date on or about June 30, 2015;
- (viii) no acquisitions or divestitures.

The Projections are stated in US dollars and assume international exchange rates consistent with current observed rates. The Projections do not reflect any impacts related to increases or decreases to the value of the currencies in the markets in which the Company operates.

In addition to the assumptions considered for the Company's revenue and expenses, the Debtors also considered factors which may impact the Company's balance sheet upon Emergence. The projections took into account these factors and include the following assumptions:

- (i) Accounts receivable are shown at fair value and are presented net of allowances for bad debt. The projections assume bad debt levels that are consistent with historical experiences.
- (ii) Land, buildings and machinery and equipment are shown at book value. Depreciation is calculated on a straight-line basis over the estimated remaining useful lives of the properties as of the Effective Date (the average estimated useful lives of 20 to 40 years for buildings and 3 to 10 years for computers and operating systems). Leasehold improvements are depreciated over the shorter of the lease term or the estimated useful life of the underlying asset. Maintenance and repairs are expensed as incurred. Software development costs and related interests are capitalized in the application development stage.
- (iii) Separately identifiable intangible assets that are used in the operations of the business (e.g., trademarks, intellectual property and software, customer relationships and contracts) are recorded at cost less accumulated amortization. Amortization is recorded on a straight-line basis using estimated useful lives of the assets, which generally are: 1 to 20 years for contractual and customer relationships, 2 to 15 years for trade names, and 4 to 10 years for databases, intellectual property and software. Amortization in the Projections does not assume any adjustments related to the impact of “fresh-start” accounting. Goodwill represents the excess of reorganization value over the fair value of identifiable net assets of the Company. The Company evaluates goodwill and other indefinite-lived intangible assets annually for potential impairment, or more frequently if events or circumstances occur indicating that such intangible assets might be impaired.
- (iv) The Projections assume that the execution of the Plan will result in the extinguishment of net operating loss carryforwards and other tax attributes on the Company’s balance sheet. The Projections include, on an annual basis, approximately \$11 to \$15 million of international and US cash income taxes.
- (v) The foregoing assumptions and resulting computations were made solely for purposes of preparing the Projections. The FASB has issued Accounting Standards Codification (“ASC”) Topic 852 Reorganizations (“FASB ASC 852”). The Debtors will be required to determine the amount by which the Company’s reorganization value as of the Effective Date exceeds, or is less than, the fair value of the Company’s assets as of the Effective Date. Such determination will be based upon the fair values as of that time, which could be materially higher or lower than the values assumed in the foregoing computations and may be based on, among other things, a different methodology with respect to the valuation of the Company’s reorganization value. In

all events, such valuation, as well as the determination of the fair value of the Company's assets and the determination of its actual liabilities, will be made as of the Effective Date, and the differences between the amounts of any or all of the foregoing items as assumed in the Projections and the actual amounts thereof as of the Effective Date may be material.

- (vi) The Projections have been prepared to reflect a simplified "fresh-start" presentation, assuming the Debtors emerge on the Assumed Emergence Date. The Projections assume an enterprise value and reorganization equity value of approximately \$1,338 million and \$256 million, respectively. See Disclosure Statement, Exhibit F.

C. Business Description

The Company is a privately-held global, diversified risk and information services provider. The Company's continuing operations include two business segments: Kroll and HireRight. For the fiscal year ended September 30, 2014, Kroll segment revenues represented approximately 55% of Company revenues from continuing operations and HireRight segment revenues represented approximately 45% of Company revenues from continuing operations.

Kroll

Kroll provides a broad range of investigative, compliance, due diligence, cyber security, electronic discovery ("e-discovery") and data recovery services to help its clients mitigate and respond to business risks. Kroll was founded in 1972 and was acquired by the Company in 2010. Kroll operates in approximately 50 cities and in more than 20 countries around the world. Kroll is further divided into two business divisions whose primary areas of focus are as follows:

Kroll Advisory: Provides a broad range of investigative, compliance, due diligence and cyber security services to help its clients mitigate risk.

Kroll Ontrack: Provides technology-driven services and software solutions to help its clients manage, backup, search, analyze and produce data efficiently. Kroll Ontrack provides its customers e-discovery technology and consulting services as well as data recovery and information management services.

HireRight

HireRight provides technology enabled employment background screening, drug and health screening and employment eligibility solutions.

Former Operations

USIS

Prior to the Petition Date, the Company transitioned to successor contractors or divested substantially all of its USIS business segment. The USIS segment previously consisted of two divisions: (i) ISD which was the largest commercial provider of background investigations to the federal government; and (ii) GS&S that provided personnel, information, security, litigation support, records management and analytics services to U.S. government agencies. The Projections include certain ongoing net cash outflows associated with winding down these discontinued operations. See section IV.A(i) of the Disclosure Statement.

Kroll Factual Data

Prior to the Petition Date, the Company divested substantially all of the assets of the KFD Business, which was a leading national provider of customized risk mitigation and verification services, for the mortgage, property management and insurance industries. See section IV.A(i) of the Disclosure Statement for further details.

All of the operations of the former USIS Segment and the KFD Business are considered discontinued operations, and except as noted are not included in the Projections herein.

Income Statement Assumptions - Revenue

A. Revenues

To develop the Projections, the Debtors' management team evaluated market and competitive conditions and, in collaboration with the Company's advisors, developed its revenue projections. Overall, revenues are projected to grow at a compound annual growth rate (CAGR) of approximately 5% over the five-year period ending September 30, 2019. The underlying assumptions are outlined by business below:

Kroll: Revenues for Kroll are projected to grow over the five-year period ending September 30, 2019 at a CAGR of 4.8% to \$534 million. The primary drivers of this growth include:

- Investment and increased Managing Director headcount in targeted growth markets;
- Increased market share in compliance related businesses, through investments in business development and enhanced technology platforms;
- Growth in Identification Theft and Breach Notification business driven by market expansion and increased volumes with strategic customers; and
- Domestic and international expansion in the e-discovery market through broader service offerings and targeted go-to-market strategies

Revenue projections for Kroll for the three months ending September 30, 2015, reflect assumptions regarding increased volumes in both the Kroll Advisory and Kroll Ontrack business divisions in comparison to revenues realized during the three months ended December 31, 2014 and estimated for the three months ending March 31, 2015. In Kroll Ontrack's business, revenues for the Company's first fiscal quarter ended December 31, 2014 were approximately 8% lower than the previous year's first fiscal quarter. Revenue projections for Kroll Ontrack for the fourth fiscal quarter ending September 30, 2015, are approximately 10% greater than actual revenues achieved during the previous year's fourth fiscal quarter September 30, 2014. The projected revenue gains are largely predicated on increased volumes in Kroll Ontrack's US e-discovery business, driven in part by improved underlying market conditions.

HireRight: Revenues for HireRight are projected to grow over the five-year period ending September 30, 2019 at a CAGR of 5.1% to \$444 million. The primary drivers of this growth include:

- Favorable domestic market conditions coupled with modest market share gains; and
- Continued investment and expansion into international markets

Revenue projections for HireRight for the three months ending September 30, 2015, reflect assumptions regarding increased volumes in comparison to revenues realized during the three months ended December 31, 2014 and estimated for the three months ending March 31, 2015. This assumption regarding increasing revenues is largely based upon the historical seasonal pattern of demand for employment screening services that is highest in the Company's quarters ending June 30th and September 30th.

Both Kroll and HireRight do business in multiple geographies and in different divisions, which reduces the Company's exposure to any one geography or type of service. The Company's domestic operations generated approximately 78% of its revenues during the fiscal year ended September 30, 2014, with the remaining 22% of revenues divided among operations in Europe, Asia and South America. Kroll generated approximately 80% of the international revenues and HireRight generated approximately 20%.

The Company has a diverse customer base between its two business segments. The Company's top 10 customers accounted for approximately 10% of total revenues in 2014, with no single customer accounting for more than 5% of revenues. The Company has strong long-standing relationships with many of its customers.

Income Statement Assumptions - Expenses

A. Direct Costs

The Company's direct costs are primarily related to compensation, benefits and other employee related costs as well as the third party subcontractor, and data and service costs needed for the delivery of services to the Company's customers.

Direct costs as a percentage of sales are estimated at 44% in the early years of the Projection Period declining to 43% in the later years. In general, the Company is able to manage overall variability in its direct cost infrastructure by managing the variable and semi-fixed elements:

- i. The Company's subcontractor, data and other service costs are variable based on revenue generated or services provided as the Company has the ability to scale up or down the usage of this variable workforce and data. The Company generally enters into contractual relationships with subcontractors to set pricing levels for a period of time, which is typically not greater than a year. The cost of third-party services could therefore be significantly affected by changes in pricing and inflationary factors for third-party services during the Projection Period. The Debtors' management considered current trends when developing the forecast for subcontractor pricing. The Projections assume that subcontractor costs are expected to grow 2% to 3% annually.
- ii. The cost of wages, benefits and other costs paid to the Company's employees who provide services and support directly to its customers is more semi-fixed in nature as the Company works to maintain a stable workforce. Semi-fixed costs are forecasted to grow at a net rate of 3% to 4% annually to account for inflation and workforce additions to fulfill volume gains.

B. Sales, General and Administrative ("SG&A") Costs

SG&A costs are the sum of all selling expenses and administrative expenses of the Company. Selling expenses include, but are not limited to, advertising costs, employee compensation and benefits of sales and marketing personnel, commissions and bad debt expense. General and administrative expenses include, but are not limited to compensation and benefits of non-sales personnel, legal and auditing expenses, rent and utilities, insurance, and other office related and business segment and corporate overhead expenses.

SG&A costs are primarily fixed and are projected at both the business level and at the corporate level. The Projections assume that there is no material change in the Company's indirect labor force or real estate footprint during the Projection Period. Expenses are expected

to grow due to inflation and workforce additions and other continued investment to support growth.

C. Depreciation and Amortization

Depreciation and amortization expenses are forecasted using straight-line depreciation methods for fixed assets and intangible assets during the Projection Period. Depreciation for capital expenditures during the Projection Period is forecasted on a straight-line basis over an estimated average period of 7 years. Depreciation for existing property, plant and equipment is based on the book value of those assets, depreciated on a straight-line basis over the remaining useful life for each of those assets. The Projections do not assume any change to the fair market value of these assets or the corresponding impact to depreciation or amortization as a result of fresh start accounting. Amortization is based on the expected life of each of the Company's intangible assets and is forecasted on a straight-line basis during the Projection Period. No new additions to intangible assets are assumed during the Projection Period. Goodwill is not assumed to be amortized in the Projections.

D. Other EBITDA Adjustments

Other EBITDA Adjustments relate to certain expenses incurred by the Company that are not included as a component of the Company's Adjusted EBITDA. These costs include franchise taxes, certain restructuring and reorganization charges, stock-based compensation costs, certain consulting, legal and advisory fees and related expenses, and certain costs related to the wind-down of discontinued operations.

E. Interest

Interest expense is based upon projected outstanding debt upon emergence. The Projections assume that \$110 million in First Lien Indebtedness is repaid on a pro rata basis with the proceeds from the GS&S Sale and the KFD Sale upon emergence. Interest expense includes interest on First and Second Lien debt, as well as the amortization of certain debt issuance costs, the amortization of fees for the refinancing of certain debt obligations, and interest on outstanding letters of credit during the Projection Period.

F. Taxes

Income taxes included in the Pro Forma Consolidated Statements of Operations relate solely to cash income taxes projected to be paid in the U.S. and international entities over the Projection Period. These estimated cash taxes included obligations incurred at the state level in certain domestic jurisdictions and in various international jurisdictions.

Balance Sheet Assumptions¹

A. Cash and Cash Equivalents

The Projections reflect the Debtors' estimates of the Company's balance of cash and cash equivalents based upon the Pro Forma Consolidated Statements of Cash Flows. The Company's Revolving Credit Facility is assumed to support outstanding letters of credit of approximately \$21 million, but is otherwise assumed to be undrawn during the Projection Period.

B. Accounts Receivable

Growth in accounts receivable during the Projection Period relates to expected revenue growth. The Projections assume estimated accounts receivable days sales outstanding ranging from approximately 71 to 73 days.

C. Other Current Assets

Includes primarily prepaid expenses, taxes and other miscellaneous receivables.

D. Property, Plant and Equipment, Net

Changes in property, plant and equipment are primarily driven by capital spending plans, net of depreciation, to support the Company's revenue growth. The Projections assume capital expenditures of \$27 to \$30 million per year over the Projection Period in support of growth initiatives and asset replacement requirements. The Projections assume depreciation ranging from \$26 to \$29 million per year over the Projection Period.

E. Intangible Assets, Net

Intangible assets, net include goodwill, customer lists, contractual relationships, databases and intellectual property. Intangible, excluding goodwill, are projected to amortize over the remainder of their useful lives, which are estimated to be 1 to 20 years. No amortization or impairment is assumed for goodwill in the Projection Period. The asset balances in the Projection Period do not assume any adjustment to fair value related to fresh start accounting.

F. Debt Issuance Costs

Debt issuance costs include the remaining capitalized value of the debt issuance costs related to the First Lien Debt being reinstated under the Plan. Amortization of these costs range from \$6 to \$8 million per year and are included as a component of interest expense until the maturity of the underlying debt. The cash flow projections include estimated costs and expenses of refinancing the First Lien Term Loan and the revolving credit facility in the fiscal year ending

¹ The Balance Sheet Assumptions should be read in conjunction with the Projected Pro Forma Consolidated Balance Sheet.

September 30, 2018 and costs and expenses of refinancing the First Lien Notes in the fiscal year ended September 30, 2019. These estimated refinancing costs and expenses are projected to be amortized over five years.

G. Accounts Payable

The Projections reflect the return of the Company's accounts payable to pre-petition average days payable outstanding ("DPO") with an estimated range 42 to 43 days over the Projection Period. The estimated pre-petition accounts payable related to vendors with contracts of \$7 million is assumed to be reinstated and the pre-petition balances cured at or shortly after the Effective Date. The remaining accounts payable are expected to recover on their claims in accordance with the Plan treatment for unsecured creditors.

H. Accrued Salary and Related Expenses

These liabilities include the accrual of employee salary and related withholding tax obligations, accrued vacation, accrued severance and accrued bonus and other incentive-related expenses. The Projections assume the deferral and payment of these obligations consistent with the historical practices of the Company. These obligations are not impaired by the Plan.

I. Accrued Interest

These liabilities include the accrual of cash interest expense for the First Lien Debt and the accrual of PIK interest for the Second Lien Debt. These accruals are based on both estimates and contractual obligations.

J. Deferred Revenue

These liabilities include the estimated future obligations for performance for customer subscriptions, enrollment programs and customer advance payments. These obligations are assumed to amortize over the life of the customer's subscription or when the service has been fulfilled by the Company. These liabilities are not expected to be impaired by the Plan.

K. Other Current Liabilities

These liabilities include deferred rent obligations, royalties payable, accounting costs, insurance payable and contingency reserves. These obligations are not expected to be impaired by the Plan.

L. Long-Term Debt Obligations

The Plan assumes that \$110 million of the proceeds generated from the GS&S Sale and KFD Sale will be used to pay down the First Lien Indebtedness. The Plan also assumes the DIP Facility will be repaid through the issuance of approximately \$94 million in New Second Lien

Notes. Upon consummation of the Plan, the Debtors are assumed to have the following debt obligations:

- (i) \$60 million new revolving credit facility;
- (ii) \$246 million in reinstated 9.25% Term Loan;
- (iii) \$742 million in reinstated 9.5% First Lien Notes; and
- (iv) \$94 million in 13.5%, PIK only, New Second Lien Notes.

M. Other Long-Term Noncurrent Liabilities

These liabilities includes long term deferred rent and facility obligations, FIN 48 tax reserves and long term capital lease obligations. These obligations are assumed unimpaired by the Plan.

N. Stockholders' Equity

Stockholders' equity at the Effective Date includes the effect of eliminating the existing equity and reflecting the conversion of the Second Lien Notes and Third Lien Notes into new equity. The equity value of \$256 million reflects an assumed transaction date enterprise value as of the Assumed Emergence Date of June 30, 2015 of \$1,338 million and debt of approximately \$1,083 million.

The **Projected Pro Forma Consolidated Statements of Operations** present the projected consolidated results of the continuing operations of the Company based on the Assumed Emergence Date of June 30, 2015. Projections are presented for the period commencing July 1, 2015, after giving effect to the restructuring transactions. Projected results of operations for fiscal year 2015 are presented for the three month period ending September 30, 2015.

Altegrity, Inc., et al., Projected Pro Forma Consolidated Statements of Operations
(UNAUDITED)
(DOLLARS IN MILLIONS)

	Three Months September 30, 2015	Fiscal years ending September 30,			
		2016	2017	2018	2019
Revenue	\$ 206.2	\$ 823.9	\$ 874.8	\$ 928.3	\$ 978.3
Direct Costs	(86.2)	(359.9)	(381.1)	(400.3)	(416.0)
Selling, General & Administrative Costs	(80.4)	(321.2)	(330.5)	(343.6)	(363.9)
Adjusted EBITDA	39.6	142.9	163.2	184.3	198.4
<i>% of Revenue</i>	19.2%	17.3%	18.7%	19.9%	20.3%
EBITDA Adjustments ⁽¹⁾	(12.8)	(13.2)	(10.0)	(10.0)	(10.0)
Depreciation & Amortization	(20.3)	(78.0)	(73.9)	(60.4)	(59.2)
Income from Operations	6.5	51.7	79.3	114.0	129.2
Interest Expense	(29.5)	(117.1)	(118.6)	(120.2)	(121.1)
(Loss) Income before Cash Income Taxes	(23.1)	(65.4)	(39.3)	(6.3)	8.1
Cash Income Tax Expense ⁽²⁾	(2.0)	(15.0)	(11.0)	(12.0)	(13.0)
Net (Loss) Income	\$ (25.1)	\$ (80.4)	\$ (50.3)	\$ (18.3)	\$ (4.9)

Notes:

(1) EBITDA Adjustments include certain costs and expenses that are not reported as a component of the Company's Adjusted EBITDA. These costs and expenses include: franchise taxes, certain restructuring and reorganization charges, stock-based compensation costs, certain consulting, legal and advisory fees and related expenses, and certain costs related to the wind down of discontinued operations.

(2) Represents estimated cash tax payments; principally US state income taxes and taxes in international jurisdictions.

The accompanying notes are an integral part of these projected pro forma consolidated Projections.

The estimated opening balances of the **Projected Pro Forma Consolidated Balance Sheet** are presented as of June 30, 2015, the Assumed Emergence Date. Presented below are the estimated pro forma adjustments required to adjust the estimated opening balances to reflect the projected impacts of the restructuring transactions. The resulting Pro Forma Opening Balance Sheet represents the Debtors' estimate of the Company's balance sheet for continuing operations immediately after the Debtors' emergence from chapter 11.

Altegrity, Inc., et al., Projected Pro Forma Consolidated Balance Sheet
(UNAUDITED)
(DOLLARS IN MILLIONS)

	Opening Balance June 30, 2015	Estimated Pro Forma Impacts of Restructuring Transactions					Opening Balance June 30, 2015
		Plan Settlement (2)	Settlement Operations (3)	New Debt (4)	Cancellation of Debt (5)	Fresh Start Adjustments (6)	
Assets							
Current assets							
Cash and Cash Equivalents ⁽¹⁾	\$ 152.1	\$ (118.1)	\$ -	\$ 45.0	\$ -	\$ -	\$ 79.0
Accounts receivable, net	172.9	-	(2.0)	-	-	-	170.9
Other current assets	50.4	(0.6)	(3.7)	-	-	-	46.1
Deferred tax assets	50.8	(50.8)	-	-	-	-	-
Total current assets	426.1	(169.5)	(5.7)	45.0	-	-	296.0
Non-current assets							
Property and equipment, net	80.3	-	(6.5)	-	-	-	73.8
Intangible assets, net	904.2	-	-	-	-	205.8	1,110.0
Debt issuance costs, net	30.9	(4.8)	-	-	-	-	26.1
Other assets	12.6	-	(0.1)	-	-	-	12.5
Total assets	\$ 1,454.2	\$ (174.3)	\$ (12.3)	\$ 45.0	\$ -	\$ 205.8	\$ 1,518.4
Liabilities and stockholders' equity							
Current liabilities							
Accounts payable	\$ 38.4	\$ -	\$ (5.6)	\$ -	\$ -	\$ -	\$ 32.8
Accrued salaries and related expenses	37.0	-	-	-	-	-	37.0
Accrued interest	43.3	-	(0.0)	-	-	-	43.3
Deferred revenue	15.7	-	-	-	-	-	15.7
Current portion of long-term debt:	50.7	-	-	(49.2)	-	-	1.5
Other current liabilities	66.1	-	(42.3)	-	-	-	23.8
Total current liabilities	251.2	-	(47.9)	(49.2)	-	-	154.1
Non-current liabilities							
Long-term debt	1,098.6	(110.0)	-	94.2	-	-	1,082.8
Liabilities subject to compromise	737.7	(12.2)	-	-	(725.5)	-	-
Deferred tax liabilities	65.1	(65.1)	-	-	-	-	-
Other noncurrent liabilities	25.8	-	(0.3)	-	-	-	25.5
Total liabilities	2,178.5	(187.3)	(48.2)	45.0	(725.5)	-	1,262.4
Stockholders' (deficit) equity							
Total stockholders' (deficit) equity	(724.3)	13.0	35.9	-	725.5	205.8	256.0
Total liabilities & stockholders' (deficit) equity	\$ 1,454.2	\$ (174.3)	\$ (12.3)	\$ 45.0	\$ -	\$ 205.8	\$ 1,518.4

Notes:

- (1) Includes estimated restricted cash of \$1.3 million.
- (2) Plan Settlement includes estimated payment of \$110 million of First Lien Indebtedness, the removal of all tax assets & liabilities as a result of the Plan, the write-off of the deferred financing costs associated with the Second and Third Lien Notes and the assumption and cure of certain contract obligations.
- (3) Includes the removal of the assets and liabilities of the discontinued USIS business from the pro forma balance sheet.
- (4) Assumes the repayment of the principal and accrued interest of the DIP Facility outstanding as of the Emergence Date of approximately \$49 million and the issuance of a new Second Lien Facility in the amount of \$94 million.
- (5) Includes the cancellation of principal and accrued interest of \$726M for the Second and Third Lien Notes and unsecured debt.
- (6) Adjustment to goodwill and other intangible assets of approximately \$206 million, accounting for the estimated reorganization value of assets and liabilities in excess of amounts allocable to identifiable assets.

The accompanying notes are an integral part of these projected pro forma consolidated Projections.

The **Projected Pro Forma Consolidated Balance Sheets** presents the projected consolidated financial position of the continuing operations of the Company as of its fiscal years ending September 30th, after giving effect to the consummation of the restructuring transactions.

Altegrity, Inc., et al., Projected Pro Forma Consolidated Balance Sheets
(UNAUDITED)
(DOLLARS IN MILLIONS)

	September 30,				
	2015	2016	2017	2018	2019
Assets					
Current assets					
Cash and Cash Equivalents ⁽¹⁾	\$ 74.0	\$ 59.3	\$ 70.6	\$ 92.1	\$ 112.0
Accounts receivable, net	164.0	165.3	172.6	182.4	191.1
Other current assets	46.1	46.1	46.1	46.1	46.1
Total current assets	<u>284.1</u>	<u>270.7</u>	<u>289.3</u>	<u>320.6</u>	<u>349.2</u>
Non-current assets					
Property and equipment, net	74.0	74.7	75.5	76.3	77.0
Intangible assets, net	1,096.4	1,044.8	998.1	966.0	936.0
Debt issuance costs, net	24.2	16.7	9.1	11.3	28.0
Other assets	12.5	12.5	12.5	12.5	12.5
Total assets	<u>\$ 1,491.2</u>	<u>\$ 1,419.4</u>	<u>\$ 1,384.6</u>	<u>\$ 1,386.7</u>	<u>\$ 1,402.8</u>
Liabilities and stockholders' equity					
Current liabilities					
Accounts payable	\$ 35.2	\$ 36.8	\$ 36.5	\$ 38.9	\$ 41.8
Accrued salaries and related expenses	47.7	42.3	42.7	43.7	44.7
Accrued interest	28.3	28.8	29.2	29.8	30.3
Deferred revenue	15.7	15.7	15.7	15.7	15.7
Current portion of long-term debt	1.3	-	0.7	2.8	2.8
Other current liabilities	23.8	23.8	23.8	23.8	23.8
Total current liabilities	<u>151.9</u>	<u>147.3</u>	<u>148.5</u>	<u>154.6</u>	<u>158.9</u>
Non-current liabilities					
Long-term debt	1,082.8	1,096.0	1,110.3	1,124.6	1,141.3
Other noncurrent liabilities	25.5	25.5	25.5	25.5	25.5
Total liabilities	<u>1,260.3</u>	<u>1,268.8</u>	<u>1,284.4</u>	<u>1,304.7</u>	<u>1,325.8</u>
Stockholders' equity					
Total stockholders' equity	230.9	150.5	100.2	81.9	77.0
Total liabilities & stockholders' equity	<u>\$ 1,491.2</u>	<u>\$ 1,419.4</u>	<u>\$ 1,384.6</u>	<u>\$ 1,386.7</u>	<u>\$ 1,402.8</u>

Notes:

(1) Includes estimated restricted cash of \$1.3 million.

The accompanying notes are an integral part of these projected pro forma consolidated Projections.

The **Projected Pro Forma Consolidated Statements of Cash Flows** present the projected cash flows of the continuing operations of the Company based on the Assumed Emergence Date of June 30, 2015. Projections are presented for the period commencing July 1, 2015, after giving effect to the restructuring transactions. Projected cash flows for fiscal year 2015 are presented for the three month period ending September 30, 2015.

Altegrity, Inc., et al., Projected Pro Forma Consolidated Statements of Cash Flows
(UNAUDITED)
(DOLLARS IN MILLIONS)

	Three Months	Fiscal years ending September 30,			
	September 30, 2015	2016	2017	2018	2019
Cash flow from operating activities					
Net loss	\$ (25.1)	\$ (80.4)	\$ (50.3)	\$ (18.3)	\$ (4.9)
Adjustments to reconcile estimated net loss to cash provided by operating activities:					
Depreciation and amortization	20.3	78.0	73.9	60.4	59.2
Amortization of debt issuance costs	1.9	7.6	7.5	7.0	5.6
Interest accretion on Second Lien Notes	0.0	13.2	15.0	17.1	19.5
Change in net working capital	5.0	(4.7)	(6.7)	(5.8)	(4.4)
Cash provided by operating activities	2.2	13.7	39.3	60.3	74.9
Cash Flow from investing activities					
Capital expenditures	(6.9)	(27.1)	(28.0)	(29.0)	(30.0)
Cash used in investing activities	(6.9)	(27.1)	(28.0)	(29.0)	(30.0)
Cash flow from financing activities					
Estimated refinancing costs ⁽¹⁾	-	-	-	(9.2)	(22.3)
Debt repayments	(0.3)	(1.3)	-	(0.7)	(2.8)
Cash used in financing activities	(0.3)	(1.3)	-	(9.9)	(25.0)
Net (decrease) increase in cash and cash equivalents	\$ (5.0)	\$ (14.7)	\$ 11.3	\$ 21.5	\$ 19.9
Beginning cash and cash equivalents	\$ 79.0	\$ 74.0	\$ 59.3	\$ 70.6	\$ 92.1
Net (decrease) increase in cash and cash equivalents	(5.0)	(14.7)	11.3	21.5	19.9
Ending cash and cash equivalents	\$ 74.0	\$ 59.3	\$ 70.6	\$ 92.1	\$ 112.0

Notes:

(1) Estimated refinancing costs include estimated costs for the refinancing of the First Lien Term Loan and revolving credit facility in the fiscal year ending Sep. 30, 2018 and estimated costs for the refinancing of the First Lien Notes in the fiscal year ending Sep. 30, 2019.

The accompanying notes are an integral part of these projected pro forma consolidated Projections.

EXHIBIT F – VALUATION ANALYSIS

Exhibit F

VALUATION OF THE DEBTORS

THE VALUATIONS SET FORTH HEREIN REPRESENT ESTIMATED DISTRIBUTABLE VALUE FOR THE DEBTORS AND DO NOT NECESSARILY REFLECT VALUES THAT COULD BE ATTAINABLE IN THE PUBLIC OR PRIVATE MARKETS. THE VALUE OF THE NEW COMMON STOCK DOES NOT PURPORT TO BE AN ESTIMATE OF THE POST-REORGANIZATION MARKET VALUE OF THE DEBTORS.

In connection with developing the Plan, the Debtors directed Evercore to estimate the going-concern value of the Reorganized Debtors. This analysis has been prepared for the Debtors' sole use and is based on information provided to Evercore by the Debtors.

In preparing the estimated total enterprise value range for the Reorganized Debtors, Evercore: (1) reviewed certain historical financial information of the Debtors for recent years and interim periods; (2) met with certain members of the Debtors' senior management to discuss the Debtors' operations and future prospects; (3) reviewed publicly available financial data and considered the market values of public companies deemed generally comparable to the operating businesses of the Debtors; (4) considered certain economic and industry information relevant to the Debtors' operating businesses; (5) prepared discounted cash flow analyses based on the Debtors' financial projections, utilizing various discount rates and assumptions in the calculation of terminal values; (6) considered the value assigned to certain precedent change-of-control transactions for businesses similar to those of the Debtors; (7) reviewed and relied upon tax analyses prepared by other professional firms retained by the Debtors with expertise in tax matters, including an analysis of the Debtors' post-emergence tax basis; and (8) conducted such other analyses as Evercore deemed appropriate.

Although Evercore conducted a review and analysis of the Debtors' businesses, operating assets and liabilities, and business plans, Evercore relied on the accuracy and completeness of all financial and other information furnished to it by the Debtors and by other firms retained by the Debtors and on certain publicly available information as to which Evercore does not have independent knowledge.

Evercore has relied on the Debtors' representation and warranty that financial projections provided by the Debtors to Evercore (1) have been prepared in good faith, (2) are based on fully disclosed assumptions which, in light of the circumstances under which they were made, are reasonable, (3) reflect the Debtors' best currently available estimates, and (4) reflect the good faith judgments of the Debtors. Evercore does not offer an opinion as to the attainability of the Debtors' financial projections. The future results of the Reorganized Debtors are dependent upon various factors, many of which are beyond the control or knowledge of the Debtors, and consequently are inherently difficult to project. The Reorganized Debtors' actual future results may differ materially (positively or negatively) from their financial projections and as a result, the actual total enterprise value of the Reorganized Debtors may be significantly higher or lower than the estimated range herein.

No independent evaluations or appraisals of the Debtors' assets were sought or were obtained in connection with Evercore's valuation. Evercore did not conduct an independent investigation into any of the legal, tax, pension or accounting matters affecting the Debtors, and therefore makes no representations as to their impact on the Debtors' financial statements.

The following is a brief summary of certain financial analyses performed by Evercore to arrive at a range of estimated total enterprise values for the Reorganized Debtors. The following summary does not purport to be a complete description of all of the analyses and factors undertaken to support its conclusions. The preparation of a valuation is a complex process involving various determinations as to the most appropriate analyses and factors to consider, and the application of those analyses and factors under the particular circumstances. As a result, the process involved in preparing a valuation is not readily summarized.

In performing its analysis, Evercore applied the following valuation methodologies as applicable to the operations of the Debtors: (1) the discounted cash flow methodology; (2) the peer group company trading multiples methodology; and (3) the precedent transactions methodology.

Evercore's application of the discounted cash flow methodology involved deriving the unlevered free cash flows that the Debtors' operations would generate assuming their financial projections are realized. To determine the enterprise value range, these cash flows and an estimated enterprise value at the end of the projection period were discounted to derive their present value as of an assumed emergence date of June 30, 2015, using the estimated weighted average cost of capital for the Reorganized Debtors. Evercore also included in the discounted cash flow analysis the estimated step-up in tax basis from the Restructuring Transaction. To derive the present value of that step-up Evercore discounted the annual tax benefit resulting from the step-up at an estimated cost of equity in the discounted cash flow analysis of the overall company.

Evercore's application of the peer group company trading multiples methodology involved identifying a group of publicly-traded companies whose businesses and operating characteristics are generally similar to the Debtors' operations, although no selected company is either identical or directly comparable to the business of the Reorganized Debtors' operations. From a review of this group, Evercore then developed a range of valuation multiples to apply to the Debtors' financial projections to derive a range of implied enterprise values for the Debtors' operations.

Evercore's application of the precedent transactions analysis involved identifying and examining public merger and acquisition transactions that involved companies whose business and operating characteristics are generally similar to the Debtors' operations, although no selected company is either identical or directly comparable to the business of the Reorganized Debtors' operations. From a review of this group, Evercore then developed a range of valuation multiples to apply to the Debtors' financial projections to derive a range of implied enterprise values for the Debtors' operations.

Based on the Projections set forth in **Exhibit E** hereto and subject to the disclaimers and the descriptions of Evercore's methodology set forth herein, and solely for purposes of the Reorganization Plan, Evercore estimates the total enterprise value of the Reorganized Debtors to be between approximately \$1,235 million and \$1,444 million, with an implied valuation midpoint of \$1,338 million, as of an assumed Effective Date of June 30, 2015. The range of total equity value, which takes into account the total enterprise value less the estimated net debt outstanding¹ as of an assumed Effective Date of June 30, 2015, was estimated by Evercore to be between approximately \$153 million and \$362 million, with an implied valuation midpoint of \$256 million. The implied total enterprise value should be considered as a whole, and the underlying analyses should not be considered indicative of the values of any individual operation.

In arriving at its valuation estimate, Evercore did not consider any one analysis or factor to the exclusion of any other analyses or factors. Accordingly, Evercore believes that its analysis and views must be considered as a whole and that selecting portions of its analysis and factors could create a misleading or incomplete view of the processes underlying the preparation of the valuation. Evercore's analysis includes multiple valuation methodologies. Reliance on only one of the methodologies used or portions of the analysis performed could create a misleading or incomplete conclusion as to total enterprise value.

This valuation is based upon information available to, and analyses undertaken by, Evercore as of March 19, 2015, and reflects, among other factors discussed below, the Debtors' continuing operations income statements and balance sheets, projections regarding unallocated corporate overhead, current financial market conditions and the inherent uncertainty today as to the achievement of the Debtors' financial projections prepared by the Debtors. The value of an operating business is subject to uncertainties and contingencies that are difficult to predict and will fluctuate with changes in factors affecting the financial conditions and prospects of such a business. For purposes of this valuation, Evercore has assumed that no material changes that would affect value will occur between the date of this Disclosure Statement and the assumed Effective Date. Events and conditions subsequent to this date, including but not limited to updated projections, as well as other factors, could have a substantial impact upon the Debtors' value. Neither Evercore nor the Debtors has any obligation to update, revise or reaffirm the valuation.

This valuation also reflects a number of assumptions, including a successful reorganization of the Debtors' businesses and finances in a timely manner, achieving the forecasts reflected in the financial projections, the minimum amount of cash required to operate the Debtors' businesses, market conditions and the Plan becoming effective in accordance with its terms on a basis consistent with the estimates and other assumptions discussed herein. Among other things, failure to consummate the Plan in a timely manner may have a materially negative impact on the enterprise value of the Reorganized Debtors.

Further, the valuation of newly issued securities is subject to additional uncertainties and contingencies, all of which are difficult to predict. Actual market prices of such

¹ Per management guidance, the valuation assumes no excess cash available as the anticipated cash balance upon emergence reflects near-minimum cash levels needed to operate the business

securities at issuance will depend upon, among other things, prevailing interest rates; conditions in the financial markets; the anticipated initial securities holdings of prepetition creditors, some of which may prefer to liquidate their investment rather than hold it on a long-term basis; and other factors that generally influence the prices of securities. Actual market prices of such securities also may be affected by the Chapter 11 Cases or by other factors not possible to predict. Accordingly, the total enterprise value ascribed in the analysis does not purport to be an estimate of the post-reorganization market trading value of the Debtors or their securities. Such trading value may be materially different from the total enterprise value ranges associated with Evercore's valuation analysis. The Reorganized Debtors will be private, non-SEC reporting companies. There can be no assurance that any trading market will develop for the New Common Stock. The estimates of value for the Reorganized Debtors do not necessarily reflect the values that may be attainable in public or private markets. Furthermore, in the event that the actual distributions in these Chapter 11 Cases differ from those the Debtors assumed in their recovery analysis, the actual recovery of holders of claims in impaired classes could be significantly higher or lower than estimated by the Debtors.

The estimate of total enterprise value set forth herein is not necessarily indicative of actual outcomes, which may be significantly more or less favorable than those set forth herein depending on the results of the Debtors' operations or changes in the financial markets. Additionally, these estimates of value represent hypothetical enterprise and equity values of the Reorganized Debtors as the continuing operator of their businesses and assets, and do not purport to reflect or constitute appraisals, liquidation values or estimates of the actual market value that may be realized through the sale of any securities to be issued pursuant to the Reorganization Plan, which may be significantly different than the amounts set forth herein. Such estimates were developed solely for purposes of formulation and negotiation of the Plan and analysis of implied relative recoveries to creditors thereunder. The value of an operating business such as the Debtors' businesses is subject to uncertainties and contingencies that are difficult to predict and will fluctuate with changes in factors affecting the financial condition and prospects of such businesses.

Evercore's estimated valuation range of the Reorganized Debtors does not constitute a recommendation to any holder of Allowed Claims or Interests as to how such person should vote or otherwise act with respect to the Reorganization Plan. The estimated value of the Reorganized Debtors set forth herein does not constitute an opinion as to the fairness from a financial point of view to any person of the consideration to be received by such person under the Plan or of the terms and provisions of the Reorganization Plan. Because valuation estimates are inherently subject to uncertainties, none of the Debtors, Evercore or any other person assumes responsibility for their accuracy or any differences between the estimated valuation ranges herein and any actual outcome.