

ANCHOR GLASS CONTAINER CORPORATION
INDICATIVE EXIT FINANCING TERM SHEET

The Company has received a number of favorable proposals for its exit financing and is currently in negotiations with three leading financial institutions. Following is a summary indicative of terms received. The Company intends to finalize a commitment and pay the negotiated arrangement and work fees during the week of April 10 on terms no less favorable than those presented herein.

The Facility:	Senior Secured Revolver (“Revolver”) up to \$65 million. Senior Secured Term Loan (“Term Loan”) of \$145 million.
Maturity:	Revolver: 5 years. Term Loan: 7 years.
Revolver Borrowing Base:	(i) 85% on eligible A/R; plus (ii) 70% of eligible inventory.
Use of Proceeds:	(i) Retire existing debt; (ii) Emergence related fees and expenses; (iii) Provide for ongoing working capital and general corporate requirements.
Interest Rate:	Revolver: Market rate. Term Loan: Market rate.
Default Interest Rate:	200 bps above applicable rates.
Unused Facility Fee:	Market rate.
Arrangement Fee:	Revolver: Market rate. Term Loan: Market rate.
Wire Transfer Fee:	NA
Collateral Monitoring Fee:	NA
Work Fee:	Reimburse reasonable out-of-pocket.
Prepayment Premium:	NA
Collateral:	Revolver: First perfected lien on A/R and inventory; Second perfected lien on PP&E. Term Loan: First perfected lien on PP&E; Second perfected lien on A/R and

inventory.

Others TBD

Financial Covenants: Revolver: None if excess availability above [\$X million].
Term loan: Maximum leverage ratio and minimum fixed charge coverage ratio.

Amortization: Term Loan: 1% per annum in years 1-6; and 94% in year 7.

Mandatory Prepayment: Term Loan: Customary % of excess cash flow, asset sales, equity and debt issuance.

Conditions: Revolver: Completion of due diligence, collateral audit, asset appraisals and minimum excess availability at closing date (TBD).
Term Loan: Completion of due diligence. No ratings required at closing.