

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

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In re:	: Chapter 11
	:
Mercantile Bancorp, Inc.,	: Case No. 13-11634 (KJC)
	:
Debtor.	:
	:
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**DEBTOR MERCANTILE BANCORP, INC.'S SECOND AMENDED PLAN OF  
LIQUIDATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

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Dated: June 26, 2014  
Wilmington, Delaware

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**DEBTOR MERCANTILE BANCORP, INC.'S PLAN OF LIQUIDATION  
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

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Mercantile Bancorp, Inc., the Debtor and Debtor-in-Possession in the above-captioned and numbered case, hereby respectfully proposes the following plan of liquidation under chapter 11 of the Bankruptcy Code.<sup>1</sup>

**ARTICLE I.  
DEFINED TERMS AND RULES OF INTERPRETATION**

**A. Defined Terms**

Unless the context otherwise requires, the following terms shall have the following meanings when used in capitalized form herein:

1. “*Accrued Professional Compensation*” means, at any given moment, all accrued and/or unpaid fees for legal, financial advisory, accounting and other professional services and reimbursement of expenses of such professionals that are awardable and allowable under sections 328, 330(a) or 331 of the Bankruptcy Code, or otherwise rendered prior to the Effective Date, including in connection with (a) applications filed pursuant to sections 330 and 331 of the Bankruptcy Code; (b) motions seeking the enforcement of the provisions of the Plan or Confirmation Order by all Professionals in the Chapter 11 Case that the Bankruptcy Court has not denied by a Final Order, to the extent that any such fees and expenses have not previously been paid regardless of whether a fee application has been filed for any such amount; and (c) applications for allowance of Administrative Claims arising under sections 503(b)(2), 503(b)(3), 503(b)(4) or 503(b)(6) of the Bankruptcy Code. To the extent the Bankruptcy Court or any higher court denies by a Final Order any amount of a Professional’s fees or expenses or any such Professional voluntarily waives or reduces its fees or expenses, then those amounts shall no longer be Accrued Professional Compensation.

2. “*Administrative Claims*” means Claims for costs and expenses of administration under sections 503(b), 507(b) or 1114(e)(2) of the Bankruptcy Code, including, without limitation, the actual and necessary costs and expenses incurred on and after the Petition Date and before the Effective Date of preserving the Estate and operating the business of the Debtor (such as wages, salaries or commissions for services and payments for goods and other services and leased premises). Notwithstanding the foregoing, (i) any fees or charges assessed against the Estate of the Debtor under section 1930 of chapter 123 of title 28 of the United States Code are excluded from the definition of Administrative Claims and shall be paid in accordance with Article V.P of the Plan, and (ii) Accrued Professional Compensation is excluded from the definition of Administrative Claims and shall be paid in accordance with Article II.C of the Plan.

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<sup>1</sup> All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bankruptcy Code.

3. “*Administrative Claims Bar Date*” means the first Business Day that is thirty (30) days after the Effective Date and is the deadline for a holder of an Administrative Claim to file a request with the Bankruptcy Court for payment of such Administrative Claim in the manner indicated in Article II herein; *provided, however*, that Administrative Claims that arise under section 503(b)(9) of the Bankruptcy Code shall only be deemed timely filed for purposes of this Plan to the extent such Claims were filed in accordance with the terms of the Bar Date Order.

4. “*Allowed*” means, with respect to any Claim or Equity Interest, except as otherwise provided by a Final Order of the Bankruptcy Court: (a) a Claim or Equity Interest that has been scheduled by the Debtor in its schedules of liabilities as not disputed, not contingent and not unliquidated and as to which no objection has been Filed by the Claims Objection Bar Date; (b) a Claim or Equity Interest that either is not Disputed or has been allowed by a Final Order; (c) a Claim or Equity Interest that has been reviewed and deemed allowed by the Responsible Person; (d) a Claim or Equity Interest that is allowed: (i) in any stipulation of amount and nature of Claim executed prior to the entry of the Confirmation Order and approved by the Bankruptcy Court by a Final Order or (ii) in any stipulation with the Debtor of amount and nature of Claim or Equity Interest executed on or after the entry of the Confirmation Order; (e) a Claim or Equity Interest that is deemed allowed pursuant to the terms hereof or Allowed in the Confirmation Order; or (f) a Disputed Claim as to which a proof of claim has been timely Filed and as to which no objection has been Filed by the Claims Objection Bar Date.

5. “*Assets*” means all assets of the Debtor as of the Effective Date, including all Cash of the Estate, Causes of Action, if any, Books and Records and Privileges.

6. “*Bankruptcy Code*” means section 101, *et seq.* of title 11 of the United States Code, and applicable portions of titles 18 and 28 of the United States Code, as in effect as of the Petition Date.

7. “*Bankruptcy Court*” means the United States Bankruptcy Court for the District of Delaware, or such other court of competent jurisdiction exercising jurisdiction over the Debtor and the Assets or any portion thereof, or any proceeding arising under or related to the Bankruptcy Code or the Chapter 11 Case.

8. “*Bankruptcy Rules*” means the Federal Rules of Bankruptcy Procedure, promulgated under 28 U.S.C. § 2075, the Local Rules of Bankruptcy Practice and Procedure of the U.S. Bankruptcy Court for the District of Delaware, the Local Rules of Civil Practice and Procedure of the U.S. District Court for the District of Delaware, and general orders and chambers procedures of the Bankruptcy Court, each as applicable to the Chapter 11 Case and as amended from time to time.

9. “*Bar Date Order*” means the Order Granting Motion of Debtor Mercantile Bancorp, Inc. for Entry of an Order Establishing Deadlines for Filing Proofs of Claim and Section 503(b)(9) Claim Requests and Approving the Form and Manner of Notice Thereof, entered by the Bankruptcy Court on August 6, 2013 at docket number 102.

10. “*Books and Records*” means all books and records of the Debtor, including, without limitation, all documents and communications of any kind, whether physical or electronic.

11. “*Budgets*” means the Initial Budget and each and every Subsequent Budget.

12. “*Business Day*” means any day, other than a Saturday, Sunday or “legal holiday” (as that term is defined in Bankruptcy Rule 9006(a)).

13. “*Capital Securities*” means, collectively, (i) the 10,000 Capital Securities of Mercantile Bancorp Capital Trust I; (ii) the 20,000 Capital Securities of Mercantile Bancorp Capital Trust II; (iii) the 10,000 Capital Securities of Mercantile Bancorp Capital Trust III; and (iv) the 20,000 Capital Securities of Mercantile Bancorp Capital Trust IV, issued by the Trusts pursuant to the applicable Trust Declaration.

14. “*Cash*” means cash and cash equivalents, including, but not limited to bank deposits, liquid investments, checks and similar items.

15. “*Causes of Action*” means claims, actions, causes of action, choses in action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, remedies, defenses, rights of setoff, recoupment, subrogation, contribution, reimbursement or indemnity, counterclaims and crossclaims (including, without limitation, all claims and any avoidance, preference, recovery, subordination or other actions against insiders and/or any other entities under the Bankruptcy Code) against any other Person, based in law and/or equity, whether under the Bankruptcy Code or other applicable law, whether direct, indirect, derivative or otherwise, whether known, suspected or unsuspected and whether asserted or unasserted as of the Effective Date.

16. “*Chapter 11 Case*” means the chapter 11 case commenced when the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code on the Petition Date and pending in the Bankruptcy Court at case number 13-11634 (KJC).

17. “*Charging Lien*” means any Lien or other priority payment to which the Indenture Trustee is entitled under the terms of the TruPS Documents against distributions to be made to the holders of TruPS Claims.

18. “*Claim*” means a “claim” (as that term is defined in section 101(5) of the Bankruptcy Code) against the Debtor.

19. “*Claims Agent*” means UpShot Services LLC, the Bankruptcy Court appointed claims and noticing agent in the Chapter 11 Case.

20. “*Claims Objection Bar Date*” means the deadline for objecting to Claims, which shall be the ninetieth (90th) day following the Effective Date; *provided, however*, that the Debtor or the Responsible Person upon notice and motion may seek extensions of this date from the Bankruptcy Court.

21. “*Class*” means a category of Claims or Equity Interests as set forth in Article III herein pursuant to section 1122(a) of the Bankruptcy Code.

22. “*Committee Advisors*” means Griffin Financial Group, LLC and C&Co./Princeridge LLC, investment bankers and financial advisors to the Official Committee.

23. “*Common Securities*” means the common securities issued by the Trusts, which terms are governed by the applicable Trust Declaration.

24. “*Confirmation Date*” means the date on which the Confirmation Order is entered by the Bankruptcy Court.

25. “*Confirmation Order*” means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

26. “*Creditor*” means a “creditor” (as that term is defined in section 101(10) of the Bankruptcy Code).

27. “*Debtor*” or “*Debtor-in-Possession*” means Mercantile Bancorp, Inc., a Delaware corporation.

28. “*Disclosure Statement*” means the *First Amended Disclosure Statement for Debtor Mercantile Bancorp, Inc.’s First Amended Plan of Liquidation under Chapter 11 of the Bankruptcy Code*, prepared and distributed in accordance with the Bankruptcy Code, Bankruptcy Rules and any other applicable law, as it is amended, supplemented or modified from time to time.

29. “*Disclosure Statement Order*” means the *Order (I) Approving Disclosure Statement, (II) Approving Notice and Objection Deadline and Procedures for the Disclosure Statement Hearing, (III) Establishing Solicitation and Voting Procedures, (IV) Scheduling a Confirmation Hearing, and (V) Establishing Notice and Objection Deadline and Procedures for Confirmation of the Proposed Plan*.

30. “*Disputed*” means, with respect to any Claim or Equity Interest, any Claim or Equity Interest: (a) listed on the Schedules as unliquidated, disputed or contingent, unless a proof of Claim in a liquidated amount has been timely filed; (b) as to which the Debtor, the Responsible Person or other party has interposed a timely objection or request for estimation in accordance with this Plan, the Confirmation Order, the Bankruptcy Code and the Bankruptcy Rules; or (c) as otherwise disputed by the Debtor in accordance with applicable law, which objection, request for estimation or dispute has not been withdrawn or determined by a Final Order; *provided, however*, that for purposes of this Plan, the Responsible Person shall have the power, up to and including the Claims Objection Bar Date, to determine a Claim to be Disputed upon review of the claims register and the Books and Records and may cause the amendment of the Schedules to reflect any such determination.

31. “*Disputed Reserve*” means the reserve fund created pursuant to Article V.B herein.



32. “*Distributions*” means the distributions of Cash to be made in accordance with the Plan.

33. “*DTC*” means The Depository Trust Company.

34. “*Effective Date*” means the date selected by the Debtor that is a Business Day after the entry of the Confirmation Order on which: (a) no stay of the Confirmation Order is in effect; and (b) all conditions specified in Article VIII have been satisfied or waived.

35. “*Entity*” means an “entity” (as that term is defined in section 101(15) of the Bankruptcy Code).

36. “*Equity Interest*” means any “equity security” (as that term is defined in section 101(16) of the Bankruptcy Code) in the Debtor that existed immediately prior to the Petition Date.

37. “*Estate*” means the estate of the Debtor created on the Petition Date by section 541 of the Bankruptcy Code.

38. “*Exculpated Parties*” means, collectively, the Debtor, the officers and directors of the Debtor serving in such capacities immediately prior to the Effective Date, the Official Committee and the individual members thereof, and each of the Debtor’s and Official Committee’s respective Professionals (each of the foregoing in its individual capacity as such).

39. “*File*” or “*Filed*” means, with respect to any motion, pleading or other document, entered on the docket of the Chapter 11 Case.

40. “*Final Decree*” means the decree contemplated under Bankruptcy Rule 3022.

41. “*Final Order*” means an order or judgment of the Bankruptcy Court that has not been reversed, stayed, modified or amended, and as to which the time to file an appeal, motion for reconsideration or rehearing (excluding the times prescribed by Bankruptcy Rules 9023 and 9024), or request for a stay has expired.

42. “*General Unsecured Claims*” means Claims against the Debtor that are not Administrative Claims, Priority Tax Claims, Other Priority Claims, secured Claims or Equity Interests, and, for the avoidance of doubt, includes the TruPS Claims.

43. “*Governmental Unit*” means a “governmental unit” (as that term is defined in section 101(27) of the Bankruptcy Code).

44. “*Impaired*” means “impaired” within the meaning of sections 1123(a)(4) and 1124 of the Bankruptcy Code, with respect to any Class of Claims or Equity Interests.

45. “*Indenture Trustee*” means Wilmington Trust Company, as Indenture Trustee, Institutional Trustee or Property Trustee, Delaware Trustee and Guaranty Trustee under the TruPS Documents.

46. “*Indenture Trustee Fees*” means the reasonable compensation, fees and expenses, disbursements and indemnity claims, including, without limitation, attorneys’ fees and agents’ fees, expenses, costs and disbursements, incurred by or owed to the Indenture Trustee under the TruPS Documents and related and ancillary documents, whether incurred prior to or after the Petition Date and whether incurred prior to or after consummation of the Plan.

47. “*Indenture Trustee Fees Claims*” means the Claims filed by the Indenture Trustee for Indenture Trustee Fees, which as of the date hereof consist of Claims Nos. 7, 10, 13 and 16 (such numbers as assigned by the Claims Agent on the official claims register for this Chapter 11 Case), as such Claims may be amended or supplemented. Notwithstanding anything herein to the contrary, the Indenture Trustee Fees Claims shall not be Allowed until, as applicable, (i) for Indenture Trustee Fees incurred prior to the Effective Date, such Indenture Trustee Fees are approved by the Bankruptcy Court as reasonable pursuant to Article II.D.1 hereof, or (ii) for Indenture Trustee Fees incurred after the Effective Date, such Indenture Trustee Fees are approved or deemed approved pursuant to Article II.D.2 hereof.

48. “*Initial Budget*” means the initial budget submitted by the Responsible Person pursuant to Article IV.G hereof.

49. “*Initial Distribution Date*” means the date that is as soon as practicable after the Administrative Claims Bar Date, when Distributions under this Plan shall commence to holders of Allowed Claims.

50. “*Lien*” shall mean a “lien” (as that term is defined in section 101(37) of the Bankruptcy Code), including, without limitation, a deed of trust, mortgage, charge, security interest, pledge or other encumbrance against or interest in property to secure payment or performance of a claim, debt or litigation.

51. “*Official Committee*” means the Committee of Trust Preferred Securities Holders for the Chapter 11 Case appointed by the U.S. Trustee pursuant to section 1102 of the Bankruptcy Code on July 16, 2013, which appointment is filed at docket number 42.

52. “*Other Priority Claims*” means Claims accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than Priority Tax Claims.

53. “*Person*” means a “person” (as that term is defined in section 101(41) of the Bankruptcy Code), including, without limitation, any individual or Entity.

54. “*Petition Date*” means June 27, 2013, the date on which the Debtor commenced the Chapter 11 Case.

55. “*Plan*” means this plan of liquidation under chapter 11 of the Bankruptcy Code, either in its present form or as it may be altered, amended, modified or supplemented from time to time in accordance with the Bankruptcy Code, the Bankruptcy Rules or order of the Bankruptcy Court, as the case may be.

56. “*Plan Oversight Committee*” means the committee of two Persons (one of which members may be the Responsible Person, and any of which members may be members of the Official Committee) designated by the Official Committee prior to confirmation of the Plan.

57. “*Priority Tax Claims*” means Claims of Governmental Units accorded priority in right of payment under section 507(a) of the Bankruptcy Code.

58. “*Privileges*” means the right to assert or waive any privilege, including, but not limited to, any attorney-client privilege, work-product protection, or other privilege or immunity attaching to any documents or communications (whether written, electronic or oral), and control over or rights to direct current or former agents, attorneys, advisors and other professionals of the Debtor with respect thereto.

59. “*Professional*” means any Person employed in the Chapter 11 Case pursuant to a Final Order in accordance with sections 327, 328 or 1103 of the Bankruptcy Code, and to be compensated for services rendered prior to and including the Effective Date pursuant to sections 327, 328, 329, 330 or 331 of the Bankruptcy Code.

60. “*Protected Parties*” means any of the Debtor, the Official Committee, the Responsible Person and their respective officers, directors, current (but not former) employees, current (but not former) independent contractors, members, shareholders, advisors, attorneys, representatives, professionals and other agents.

61. “*Record Date*” means the date that the Disclosure Statement Order is entered on the docket by the Bankruptcy Court.

62. “*Releasees*” means, collectively, the Official Committee and each of its members and respective Representatives (each of the members and respective Representatives in its individual capacity as such) and the Debtor’s Professionals.

63. “*Releasing Parties*” means, collectively, holders of Claims or Equity Interests who vote to accept the Plan.

64. “*Reorganized Debtor*” means the Debtor on and after the Effective Date until the date of its dissolution.

65. “*Representatives*” means, with regard to a Person (including the Debtor), any current or former officers, directors, employees, advisors, attorneys, professionals (including Professionals), accountants, investment bankers, financial advisors, consultants, agents and other representatives (including their respective officers, directors, employees, independent contractors, members and professionals).

66. “*Responsible Person*” means AEG Partners LLC in its capacity as the fiduciary responsible for administering the Estate in accordance with the Plan, as designated by the Official Committee prior to confirmation of the Plan.

67. “*Sale*” means the sale, approved by the Bankruptcy Court pursuant to the Sale Order, of certain of the Debtor’s assets to UCB, pursuant to that certain Purchase Agreement by

and between Mercantile Bancorp, Inc., as seller, and UCB, as purchaser, dated as of June 26, 2013 (as amended pursuant to the Sale Order).

68. “*Sale Order*” means the Order (A) Authorizing the Sale of Debtor Mercantile Bancorp, Inc.’s Shares in Mercantile Bank and the Related Trademark for Mercantile Bank’s “M” Logo Free and Clear of Liens, Claims, Encumbrances, and Order Interests, Except as Provided In the Successful Bidder’s Purchase Agreement; (B) Authorizing and Approving the Purchase Agreement Related Thereto; and (C) Granting Related Relief, entered by the Bankruptcy Court on September 25, 2013 at docket number 192, approving the Sale and the transactions contemplated thereby.

69. “*Schedules*” mean, collectively, the schedules of assets and liabilities, schedules of executory contracts and statements of financial affairs pursuant to section 521 of the Bankruptcy Code Filed by the Debtor on July 31, 2013 at docket numbers 76 and 77.

70. “*Subsequent Budget*” means any budget, following approval of the Initial Budget, submitted by the Responsible Person pursuant to Article IV.G hereof.

71. “*Subsequent Distribution Date*” means any date that a Distribution not made on the Initial Distribution Date is made.

72. “*Success Fee*” means any amount earned by a Committee Advisor pursuant to the orders approving the retention of the Committee Advisors, entered by the Bankruptcy Court on November 13, 2013 at docket numbers 237 and 238, that is Allowed by the Bankruptcy Court by a Final Order and that is to be paid solely from the Distributions to holders of TruPS Claims.

73. “*TruPS Claims*” means the Claims filed by the Indenture Trustee under the TruPS Documents, and including any Claims related to or arising out of the Trust Junior Subordinated Debentures, the TruPS Indentures, the Trust Declarations, the TruPS Guarantees, and any related and ancillary documents and instruments, which Claims include, but are not limited to, principal and interest as of the Petition Date and, if applicable, post-petition interest. For the avoidance of doubt, TruPS Claims shall include all of the Claims set forth in the preceding sentence that could be asserted by one or more of the several parties thereto without duplication.

74. “*TruPS Documents*” means collectively the TruPS Indentures, Trust Declarations, and TruPS Guarantees.

75. “*TruPS Guarantees*” means, collectively, (i) the Guarantee Agreement dated as of August 25, 2005 (as amended and/or supplemented) by the Debtor, as guarantor, and Wilmington Trust, as guarantee trustee; (ii) the Guarantee Agreement dated July 13, 2006 (as amended and/or supplemented) by the Debtor, as guarantor, and Wilmington Trust, as guarantee trustee; (iii) the Guarantee Agreement dated July 13, 2006 (as amended and/or supplemented) by the Debtor, as guarantor, and Wilmington Trust, as guarantee trustee; and (iv) the Guarantee Agreement dated August 30, 2007 (as amended and/or supplemented) by the Debtor, as guarantor, and Wilmington Trust, as guarantee trustee, pursuant which the Debtor agreed to, *inter alia*, guarantee payment of all amounts due and owing under the TruPS Documents.

76. “*TruPS Indentures*” means, collectively, (i) the Indenture dated as of August 25, 2005 (as amended and/or supplemented), between the Debtor, as issuer, and Wilmington Trust, as trustee, pursuant to which the Debtor issued the Fixed/Floating Rate Junior Subordinated Debt Securities Due 2035; (ii) the Junior Subordinated Indenture dated as of July 13, 2006 (as amended and/or supplemented), between the Debtor, as issuer, and Wilmington Trust, as trustee, pursuant to which the Debtor issued the Floating Rate Junior Subordinated Note Due 2036; (iii) the Indenture dated as of July 13, 2006 (as amended and/or supplemented), between the Debtor, as issuer, and Wilmington Trust, as trustee, pursuant to which the Debtor issued the Fixed/Floating Rate Junior Subordinated Debt Securities Due 2036; and (iv) the Junior Subordinated Indenture dated as of August 30, 2007 (as amended and/or supplemented), between the Debtor, as issuer, and Wilmington Trust, as trustee, pursuant to which the Debtor issued the Junior Subordinated Note Due 2037.

77. “*Trust Declarations*” means, collectively, the Trust I Declaration, the Trust II Declaration, the Trust III Declaration and the Trust IV Declaration.

78. “*Trust I*” means Mercantile Bancorp Capital Trust I, a statutory business trust, formed under Delaware law pursuant to that certain Amended and Restated Declaration of Trust dated as of August 25, 2005 (as amended and/or supplemented) by and among Wilmington Trust, as Delaware Trustee and Institutional Trustee, the Debtor, as sponsor, and the administrators named therein (the “Trust I Declaration”), established for the sole purpose of issuing securities representing undivided beneficial interests in Trust I’s assets.

79. “*Trust II*” means Mercantile Bancorp Capital Trust II, a statutory business trust, formed under Delaware law pursuant to that certain Amended and Restated Trust Agreement dated as of July 13, 2006 (as amended and/or supplemented) by and among Wilmington Trust, as Delaware Trustee and Property Trustee, the Debtor, as depositor, and the administrative Trustees named therein (the “Trust II Declaration”), established for the sole purpose of issuing securities representing undivided beneficial interests in Trust II’s assets.

80. “*Trust III*” means Mercantile Bancorp Capital Trust III, a statutory business trust, formed under Delaware law pursuant to that certain Amended and Restated Declaration of Trust dated as of July 13, 2006 (as amended and/or supplemented) by and among Wilmington Trust, as Delaware Trustee and Institutional Trustee, the Debtor, as sponsor, and the administrators named therein (the “Trust III Declaration”), established for the sole purpose of issuing securities representing undivided beneficial interests in Trust III’s assets.

81. “*Trust IV*” means Mercantile Bancorp Capital Trust IV, a statutory business trust, formed under Delaware law pursuant to that certain Amended and Restated Trust Agreement of dated as of August 30, 2007 (as amended and/or supplemented) by and among Wilmington Trust, as Delaware Trustee and Property Trustee, the Debtor, as depositor, and the administrative Trustees named therein (the “Trust IV Declaration”), established for the sole purpose of issuing securities representing undivided beneficial interests in Trust IV’s assets.

82. “*Trust Junior Subordinated Debentures*” means, collectively, the Trust I Junior Subordinated Debentures, the Trust II Junior Subordinated Debentures, the Trust III Junior Subordinated Debentures, and the Trust IV Junior Subordinated Debentures.

83. “*Trust I Junior Subordinated Debentures*” means the \$10,310,000 of Mercantile Bancorp, Inc.’s Fixed/Floating Rate Junior Subordinated Debt Securities Due 2035.

84. “*Trust II Junior Subordinated Debentures*” means the \$20,619,000 of Mercantile Bancorp, Inc.’s Floating Rate Junior Subordinated Notes Due 2036.

85. “*Trust III Junior Subordinated Debentures*” means the \$10,310,000 of Mercantile Bancorp, Inc.’s Fixed/Floating Rate Junior Subordinated Debt Securities Due 2036.

86. “*Trust IV Junior Subordinated Debentures*” means the \$20,619,000 of Mercantile Bancorp, Inc.’s Junior Subordinated Notes Due 2037.

87. “*Trusts*” means, collectively, Trust I, Trust II, Trust III and Trust IV.

88. “*UCB*” means United Community Bancorp, Inc., or its designee as Purchaser under the Sale Order.

89. “*U.S. Trustee*” means the United States Trustee appointed under Article 591 of title 28 of the United States Code to serve in Region III, including the District of Delaware.

90. “*Wilmington Trust*” means Wilmington Trust Company, a Delaware chartered trust company, and its successors and assigns.

## **B. Rules of Interpretation**

1. For purposes herein: (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 neutral gender shall include the masculine, feminine and the neutral gender; (b) any reference herein to a contract, 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” are references to Articles hereof or hereto; (e) 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 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 term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be.

2. The provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed hereby.

3. All references herein to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided.

**C. Exhibits**

All exhibits and schedules, if any, to the Plan are incorporated into and are part of the Plan as if set forth herein. All exhibits and schedules to the Plan, shall be filed with the Clerk of the Bankruptcy Court not later than ten (10) days prior to the deadline set by the Bankruptcy Court to vote to accept or reject the Plan. Such exhibits may be inspected in the office of the Clerk of the Bankruptcy Court during normal hours of operation of the Bankruptcy Court, or on the website of the Debtor's Claims Agent at [www.upshotservices.com/mercantilebancorp](http://www.upshotservices.com/mercantilebancorp). Holders of Claims or Equity Interests may also obtain a copy of such exhibits, once filed, from the Debtor by a written request sent to the following address:

**DLA PIPER LLP (US)**  
203 N. LaSalle Street, Suite 1900  
Chicago, Illinois 60601  
Attn: Aaron M. Paushter, Esq.

**ARTICLE II.**  
**ADMINISTRATIVE AND PRIORITY CLAIMS**

**A. Administrative Claims Bar Date**

1. Except as otherwise provided herein, on or before 5:00 p.m., prevailing Eastern time, on the Administrative Claims Bar Date, each holder of an Administrative Claim shall file with the Bankruptcy Court and serve on counsel for (i) the Debtor, (ii) the Official Committee, and (iii) the Responsible Person, any request for payment of an Administrative Claim. Requests for payment of an Administrative Claim must include at a minimum: (i) the name of the holder of the Administrative Claim; (ii) the amount of the asserted Administrative Claim; (iii) the basis of the Administrative Claim; and (iv) all supporting documentation for the Administrative Claim.

2. Any request for payment of an Administrative Claim will be timely Filed only if it is Filed with the Bankruptcy Court by 5:00 p.m., prevailing Eastern time, on the Administrative Claims Bar Date; *provided, however*, that a request for payment of an Administrative Claim arising under section 503(b)(9) of the Bankruptcy Code shall be deemed timely only to the extent such request was submitted in accordance with the terms of the Bar Date Order.

3. Notwithstanding anything herein, the Debtor's and the Official Committee's Professionals shall not be required to file a request for payment of Accrued Professional Compensation on or before the Administrative Claims Bar Date. Such Professionals will instead file final fee applications as required by the Bankruptcy Code, Bankruptcy Rules, Confirmation Order and in accordance with Article II.B hereof.

**B. Accrued Professional Compensation**

The deadline for submission by Professionals for Bankruptcy Court approval of Accrued Professional Compensation shall be the forty-fifth (45th) day following the Effective Date.

**C. Payment of Allowed Administrative Claims and Allowed Claims for Accrued Professional Compensation**

The Responsible Person shall pay each holder of a timely-Filed, Allowed Administrative Claim and Allowed Claim for Accrued Professional Compensation the full unpaid amount of such Allowed Administrative Claim or Allowed Claim for Accrued Professional Compensation in Cash: (1) on the Effective Date or as soon as practicable thereafter if such Administrative Claim is an Allowed Administrative Claim as of the Effective Date; (2) if such Claim is Allowed after the Effective Date, on the date such Claim is Allowed or as soon as practicable thereafter; (3) at such time and upon such terms as may be agreed upon by such holder and the Responsible Person; or (4) at such time and upon such terms as set forth in a Final Order of the Bankruptcy Court.

**D. Indenture Trustee Fees**

1. Indenture Trustee Fees Incurred Prior to the Effective Date. Notwithstanding any provision in the Plan to the contrary, on or before forty-five (45) days after the Effective Date, the Indenture Trustee shall file a motion for the allowance, liquidation and payment of the Indenture Trustee Fees Claims and upon the entry of an order of the Bankruptcy Court determining that such claims are reasonable under the TruPS Documents and authorizing payment thereof, the Debtor or the Responsible Person, as appropriate, unless otherwise stayed, shall pay all Indenture Trustee Fees Claims incurred prior to the Effective Date and approved by the Bankruptcy Court as reasonable; *provided, however*, that, with respect to the allowance of Indenture Trustee Fees Claims for which an order of the Bankruptcy Court has been entered prior to the Effective Date, the Debtor or the Responsible Person, as applicable, shall pay such Indenture Trustee Fees Claims on the Effective Date. For the avoidance of doubt, (i) no payment of the Indenture Trustee Fees set forth in this paragraph shall be made until payment in full of any Success Fee owed to the Committee Advisors and (ii) payments to holders of non-TruPS claims in Class 1 will not be impacted by any amounts due on account of the Indenture Trustee Fees. Notwithstanding anything to the contrary herein, the payment of the Indenture Trustee Fees set forth in this paragraph shall, to the extent of the amounts paid on account thereof, be in full and final satisfaction of the Indenture Trustee Fees Claims.

2. Indenture Trustee Fees Incurred After the Effective Date. Any Indenture Trustee Fees charged, assessed or expenses incurred by the Indenture Trustee for the reasonable fees, costs and expenses incurred by the Indenture Trustee's professionals in carrying out the Indenture Trustee's duties as provided for in the applicable TruPS Documents, including, but not limited to, services related to Distributions pursuant to the Plan, if any, shall be paid by the Responsible Person in the ordinary course of business, in Cash, upon the presentation of reasonably detailed invoices by the Indenture Trustee to the Responsible Person and the Plan Oversight Committee and without the need for an application to, or approval of, any court. Any dispute regarding the amount of such Indenture Trustee Fees raised by either the Responsible Person or the Plan Oversight Committee shall be resolved in good faith between the parties. To the extent such a dispute cannot be resolved, (i) the Responsible Person shall pay any undisputed portion of the Indenture Trustee Fees and (ii) the Indenture Trustee shall file a motion in the Bankruptcy Court for the allowance, liquidation and payment of the disputed portion of the Indenture Trustee Fee Claims arising after the Effective Date and the Responsible Person, any



member of the Plan Oversight Committee and any other party with standing shall be entitled to object to the allowance, liquidation and payment of such amounts within ten (10) days from the date of such motion. Each objection shall be: (a) in writing, stating, with particularity, the grounds therefor, including whether the objecting party objects to all or only a portion of the Indenture Trustee Fees, (b) filed on the docket of the Chapter 11 Case, and (c) served on the Indenture Trustee, the Responsible Person and the Plan Oversight Committee.

3. To the extent the Debtor or the Responsible Person, as applicable, fail to pay any Indenture Trustee Fees in full, whether as a result of the Bankruptcy Court's determination as to whether the Indenture Trustee Fees are reasonable (as determined in accordance with the TruPS Documents), or an Indenture Trustee's determination not to request payment thereof, the Indenture Trustee shall have the right to assert its Charging Lien and priority rights as provided in the applicable TruPS Documents for payment of any unpaid amount upon any payment or other distribution to be made in accordance with the provisions contained herein. Nothing herein shall be deemed to impair, waive, discharge, or negatively affect any Charging Lien for any fees, costs and expenses not paid by the Debtor or the Responsible Person, as applicable, and otherwise claimed by the Indenture Trustee pursuant to the procedure set forth in this Article II.D.

#### **E. Priority Tax Claims**

The Responsible Person shall pay each holder of an Allowed Priority Tax Claim the full unpaid amount of such Allowed Priority Tax Claim in Cash, on the latest of (i) the Effective Date or as soon as practicable thereafter, and (ii) the date such Priority Tax Claim becomes Allowed or as soon as practicable thereafter and (iii) the date such Allowed Priority Tax Claim is payable under applicable non-bankruptcy law, provided that such Allowed Priority Tax Claim shall be paid prior to the assessment of any penalty by the applicable Governmental Unit.

#### **F. Other Priority Claims**

The Responsible Person shall pay each holder of an Allowed Other Priority Claim the full unpaid amount of such Allowed Other Priority Claim in Cash, on the latest of (i) the Effective Date or as soon as practicable thereafter, and (ii) the date such Other Priority Claim becomes Allowed or as soon as practicable thereafter and (iii) the date such Allowed Other Priority Claim is payable under applicable non-bankruptcy law.

### **ARTICLE III.**

#### **CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS**

##### **A. Summary**

1. In accordance with section 1123(a)(1) of the Bankruptcy Code, the Debtor has not classified Administrative Claims, Priority Tax Claims and Other Priority Claims, as described in Article II.

2. The following table classifies Claims against and Equity Interests in the Debtor for all purposes, including voting, confirmation and Distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. The Plan deems a Claim or Equity

Interest to be classified in a particular Class only to the extent that the Claim or Equity 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 Equity Interest qualifies within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that any such Claim or Equity Interest asserted in that Class is Allowed and has not been paid or otherwise settled prior to the Effective Date. Each Class set forth below is treated hereunder as a distinct Class for voting and Distribution purposes.

3. Summary of Classification and Treatment of Classified Claims and Equity Interests.

<u>Class</u>	<u>Claim</u>	<u>Status</u>	<u>Voting Rights</u>
1	General Unsecured Claims	Impaired	Entitled to Vote
2	Equity Interests	Impaired and No Distribution	Deemed to Reject

**B. Classification and Treatment of Claims and Equity Interests**

1. General Unsecured Claims (Class 1)

**(a) Classification:** Class 1 consists of General Unsecured Claims, including the TruPS Claims.

**(b) Treatment:** On or as soon as practicable after the Initial Distribution Date, the Responsible Person shall pay each holder of an Allowed General Unsecured Claim in Class 1, in full and final satisfaction of such Allowed General Unsecured Claim, its pro rata share of the Cash funds remaining in the Estate after the (i) reservation of sufficient funds, in accordance with Article IV.G, necessary for the Responsible Person to carry out its duties, (ii) payment of Allowed Administrative Claims, Allowed Claims for Accrued Professional Compensation, Allowed Priority Tax Claims and Allowed Other Priority Claims in full and (iii) reservation of sufficient funds necessary to satisfy all Disputed Claims in full in the full amount asserted.

Notwithstanding the foregoing, with respect solely to holders of TruPS Claims, all amounts that would be distributed to holders of TruPS Claims shall be paid on account of such TruPS Claims (i) first, to the Committee Advisors until payment in full of any Success Fee; and (ii) second, after payment in full of any Success Fee owed to the Committee Advisors, to the Indenture Trustee on account of all Indenture Trustee Fees. For the avoidance of doubt, payments to holders of non-TruPS claims in Class 1 will not be impacted by any amounts due on account of the Indenture Trustee Fees.

The Debtor, as holder of the Common Securities, shall either waive its right to a Distribution under the Plan with respect to such securities or such Distributions shall be made to the holders of the Capital Securities. For the avoidance of doubt, all

Distributions on account of the Trust Junior Subordinated Debentures shall be distributed by the Trusts to the holders of the Capital Securities.

The TruPS Claims shall be Allowed in the aggregate amount of \$75,954,491.90, consisting of (a) \$61,858,000.00 representing the principal amount issued pursuant the TruPS Documents and (b) \$14,096,491.90 representing accrued but unpaid interest as of the Petition Date at the applicable rates specified in the TruPS Documents, as well as other fees and costs associated therewith, and shall not be subject to objection, challenge, reduction, offset, avoidance, setoff, recharacterization, impairment, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense or disallowance under applicable law.

**(c) Voting:** Class 1 is Impaired and, therefore, holders of General Unsecured Claims in Class 1 are entitled to vote to accept or reject the Plan.

2. Equity Interests (Class 2)

**(a) Classification:** Class 2 consists of Equity Interests.

**(b) Treatment:** Holders of Equity Interests in Class 2 shall receive no Distribution under the Plan.

**(c) Voting:** Class 2 will receive no Distribution under the Plan and, therefore, holders of Equity Interests in Class 2 are deemed to reject the Plan.

**C. Nonconsensual Confirmation**

If holders of Class 1 Claims do not accept the Plan by the requisite statutory majority provided in section 1126 of the Bankruptcy Code, the Debtor reserves the right to amend the Plan. The Debtor intends to request that the Bankruptcy Court confirm the Plan pursuant to section 1129(b) of the Bankruptcy Code notwithstanding the deemed rejection of the Plan by holders of Equity Interests in Class 2.

**ARTICLE IV.  
MEANS FOR IMPLEMENTATION OF THE PLAN**

**A. Vesting of Assets**

On the Effective Date the Assets shall vest in the Reorganized Debtor. In furtherance of the implementation of the Plan, the bank accounts of the Debtor shall be deemed accounts of the Reorganized Debtor, with the sole authority to make deposits to and transfers from such accounts vesting in the Responsible Person.

**B. Responsible Person to Effectuate Distributions**

The Responsible Person shall be deemed to have been appointed as the Estate's representative by the Bankruptcy Court pursuant to section 1123(b)(3)(B) of the Bankruptcy

Code. The Responsible Person shall be entitled to retain counsel and other professionals to carry out his or her duties.

The Responsible Person shall be appointed for the sole purpose of liquidating and distributing the remaining Assets and with no objective to continue or engage in the conduct of a trade or business. In accordance with this Plan, the Responsible Person shall (i) pay to each holder of an Allowed Administrative Claim, Allowed Priority Tax Claim and Allowed Other Priority Claim, the full unpaid amount of each such Allowed Claim; and (ii) make Distributions of the remaining Assets, in Cash, to the holders of Allowed General Unsecured Claims in Class 1.

### **C. Plan Oversight Committee**

The Plan Oversight Committee shall be appointed as of the Effective Date. The Plan Oversight Committee shall adopt its own bylaws. The Plan Oversight Committee shall oversee the actions of the Responsible Person. There shall be no compensation to the members of the Plan Oversight Committee on account of their service as members of the Plan Oversight Committee.

Notwithstanding any provision in the Plan to the contrary, the Responsible Person shall not take any proposed action or inaction within the Responsible Person's discretion unless (a) expressly set forth in the Initial Budget or a Subsequent Budget; (b) authorized in the Plan Oversight Committee's bylaws; or (c) consented to by the Plan Oversight Committee. The Plan Oversight Committee shall be deemed to have consented to a proposed action or inaction if a majority of the Plan Oversight Committee has not objected to such action or inaction after being provided with the following notice (a) ten (10) days' notice of such action or inaction by facsimile, email, or overnight delivery (plus three (3) days delivery if such notice is made by regular mail); or (b) three (3) Business Days telephonic notice of such action or inaction (if the Responsible Person in his or her discretion believes that telephonic notice is appropriate under the circumstances).

### **D. Corporate Authority**

All actions and transactions contemplated under the Plan shall be authorized upon confirmation of the Plan without the need for further approvals, notices, or meetings of the Debtor's board of directors or Equity Interest holders, other than the notice provided by serving the Plan or notices of the entry of the Confirmation Order and of the Effective Date of the Plan on (i) all known holders of Claims and (ii) all current directors of the Debtor. The Confirmation Order shall include provisions dispensing with the need for further approvals, notices, or meetings of any of the Debtor's board of directors or Equity Interest holders and authorizing and directing any officer of the Debtor to execute any document, certificate, or agreement necessary to effectuate the Plan on behalf of the Debtor, which documents, certificates, and agreements shall be binding on the Debtor, the Creditors, and all Equity Interest holders. From and after the Effective Date, the Responsible Person is vested with authority to take any action contemplated by this Plan on behalf of the Debtor and Reorganized Debtor that would otherwise require the approval of shareholders, board of directors, or officers of the Debtor or Reorganized Debtor. From and after the Effective Date, the authority, power and incumbency of the persons then

acting as directors and/or officers of the Debtor shall be terminated and such directors and/or officers shall be deemed to have resigned or to have been removed without cause and have no further duties or responsibilities with respect to the Debtor.

**E. Retention of Professionals**

The Responsible Person may retain and compensate attorneys and other professionals to assist in his or her duties as Responsible Person on such terms (including on a contingency or hourly basis) as the Responsible Person deems reasonable and appropriate without Bankruptcy Court approval. The payment of the reasonable fees and expenses of the Responsible Person's retained professionals shall be made in the ordinary course of business from the Assets and shall not be subject to the approval of the Bankruptcy Court. Professionals of the Debtor and the Official Committee shall be eligible for retention by the Responsible Person.

**F. Compensation of the Responsible Person**

The Responsible Person shall be entitled to reasonable compensation in an amount consistent with that of similar functionaries in similar roles.

**G. Costs and Expenses of the Responsible Person**

The costs and expenses of the Responsible Person, as set forth in the Initial Budget, including the reasonable fees and expenses of the Responsible Person and each of his or her retained professionals and contractors, and the fees and expenses of maintaining the Disputed Reserves, shall be paid out of the Assets prior to Distribution to holders of Class 1 Claims and shall be held in a separate reserve that the Responsible Person shall establish on the Effective Date.

The Responsible Person shall submit the Initial Budget to the Debtor and the Official Committee, which Initial Budget must be approved by both the Debtor and the Official Committee before the Effective Date. If necessary, at least one month before the expiration of the Initial Budget and each Subsequent Budget thereafter, the Responsible Person shall submit for approval a Subsequent Budget to the Plan Oversight Committee. Each Budget shall include (1) a brief description of the status of the liquidation and Distributions of the Assets and the contemplated actions in furtherance of the liquidation and Distributions of the Assets; (2) the names of any employees, attorneys and other professionals or contractors to be retained to assist with the Responsible Person's duties; (3) the anticipated reasonable and necessary disbursements to third parties for compensation and expenses on account of such proposed budget; and (4) any other information necessary for evaluating such budget that is reasonably requested by the Debtor, Official Committee, or Plan Oversight Committee, as applicable. In the event that the Plan Oversight Committee fails to approve a Subsequent Budget submitted pursuant to the first sentence of this paragraph prior to the expiration of the Initial Budget or Subsequent Budget then in effect, such Initial Budget or Subsequent Budget shall continue in full force and effect until approval by the Plan Oversight Committee of a Subsequent Budget as set forth in this paragraph.

The Responsible Person may request modifications to a Budget from: (i) before the Effective Date, the Debtor and the Official Committee; and (ii) on and after the Effective Date, the Plan Oversight Committee; *provided, however*, that any request to modify an approved

Budget shall specify the factual basis for modifying such approved Budget and any other information necessary for evaluating such request that is reasonably requested by the Debtor, Official Committee, or Plan Oversight Committee, as applicable.

## **H. Liability**

No Protected Party shall be liable for the act or omission of any other Protected Party, nor shall the Responsible Person be liable for any act or omission taken or omitted to be taken in his or her capacity as the Responsible Person, other than acts or omissions resulting from the Responsible Person's willful misconduct, gross negligence, or fraud. The Responsible Person may, in connection with the performance of his or her functions, and in his or her sole absolute discretion, consult with attorneys, accountants, financial advisors and agents, and shall not be liable for any act taken, omitted to be taken, or suffered to be done in accordance with advice or opinions rendered by such Persons other than acts or omissions resulting from the willful misconduct, gross negligence or fraud of the Responsible Person. Notwithstanding such authority, the Responsible Person shall be under no obligation to consult with attorneys, accountants, or his or her agents, and his or her determination to not do so should not result in imposition of liability on the Responsible Person unless such determination is based on willful misconduct, gross negligence, or fraud.

Any claim asserted under this Article IV.H must be brought in the Bankruptcy Court.

## **I. Liquidation of the Debtor**

After the Effective Date, upon the final Distribution of the proceeds of the Assets pursuant to the Plan, the Responsible Person shall: (a) file a certificate of dissolution, together with all other necessary corporate documents, to effect the dissolution of the Debtor under the applicable laws of the State of Delaware; and (b) complete and file the Debtor's final federal, state and local tax returns, and pursuant to section 505(b) of the Bankruptcy Code, request an expedited determination of any unpaid tax liability of the Debtor or its Estate for any tax incurred during the administration of the Chapter 11 Case or through the date of such dissolution, as determined under applicable tax laws. The filing of the Debtor's certificate of dissolution shall be authorized and approved in all respects without further action under applicable law, regulation, order or rule, including, without limitation, any action by the stockholders or the board of directors of the Debtor; *provided, however*, in no event shall the Debtor be dissolved later than three (3) years following the Effective Date.

## **J. Operations of the Debtor Between the Confirmation Date and the Effective Date**

The Debtor shall continue to operate as Debtor-in-Possession during the period from the Confirmation Date through and until the Effective Date and as Reorganized Debtor from the Effective Date through the date of its dissolution.

## **K. Term of Injunctions or Stays**

Unless otherwise provided, all injunctions or stays provided for in the Chapter 11 Case pursuant to sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect through and including the Effective Date.

**L. Official Committee**

Upon the Effective Date, the Official Committee shall continue to exist and its Professionals shall be retained solely with respect to (a) applications Filed pursuant to sections 330 and 331 of the Bankruptcy Code and (b) motions seeking the enforcement of the provisions of the Plan or the Confirmation Order. Subject to the foregoing, upon the Effective Date, the Official Committee and its members shall be released and discharged from all further authority, duties, responsibilities and obligations relating to and arising from the Chapter 11 Case.

**M. Books and Records**

As part of the appointment of the Responsible Person, to the extent not already transferred on the Effective Date, the Debtor shall transfer dominion and control over those Books and Records selected by the Responsible Person, including those Books and Records necessary to prosecute the Causes of Action or to reconcile Disputed Claims and to enable the Responsible Person to execute his or her duties as specified in the Plan. The Debtor shall transfer such Books and Records in whatever form, manner or media, including, without limitation, the specific provision and presentation to the Responsible Person of all passcodes for security systems and computers, keys, keycards, and notice letters to landlords, warehousemen or other relevant parties. The Debtor may abandon all other Books and Records on or after thirty (30) days following the Effective Date. Pursuant to section 554 of the Bankruptcy Code, this Article IV.M shall constitute motion and notice, so that no further notice or Bankruptcy Court filings are required to effectuate the aforementioned abandonment of the Books and Records and entry of the Confirmation Order shall be deemed approval thereof.

**ARTICLE V.  
PROVISIONS GOVERNING DISTRIBUTIONS**

**A. Initial Distribution Date**

On the Initial Distribution Date or as soon thereafter as is reasonably practicable, the Responsible Person shall make, or shall make adequate reserves for, the Distributions required to be made under the Plan to the holders of Administrative Claims, Claims for Accrued Professional Compensation, Priority Tax Claims, Other Priority Claims and reserves for the costs, expenses and fees of the Responsible Person.

Distributions on account of holders of Allowed TruPS Claims, if any (after payment in full of the Success Fee and, subject to Article II.D hereof, the Indenture Trustee Fees), shall be made to the Indenture Trustee. If a Distribution is made to the Indenture Trustee, the Indenture Trustee, in its capacity as disbursing agent, shall administer the Distributions in accordance with the Plan and applicable TruPS Documents and be compensated in accordance with the terms of the Plan and the TruPS Documents.

**B. Reserves****1. Establishment of Disputed Reserves**

On the Initial Distribution Date, and after making all Distributions required to be made on such date under the Plan, the Responsible Person shall establish a separate Disputed Reserve for Disputed Claims, each of which Disputed Reserves shall be administered by the Responsible Person. The Responsible Person shall reserve in Cash or other property, for Distribution on account of each Disputed Claim, (i) in the full unpaid amount asserted with respect to Administrative Claims, Accrued Professional Compensation, Priority Tax Claims and Other Priority Claims, or (ii) such General Unsecured Creditor's pro rata share of Distributions to Class 1, calculated on the basis of the full asserted amount (or such lesser amount as may be estimated by the Court in accordance with Article VI.D below).

**2. Maintenance of Disputed Reserves**

To the extent that the property placed in a Disputed Reserve consists of Cash, that Cash shall be deposited in a non-interest-bearing account. The Responsible Person shall hold property in the Disputed Reserves in trust for the benefit of the holders of Disputed Claims ultimately determined to be Allowed. Each Disputed Reserve shall be closed and extinguished by the Responsible Person when all Distributions and other dispositions of Cash or other property required to be made hereunder will have been made in accordance with the terms of the Plan. Upon closure of a Disputed Reserve, all Cash or other property held in that Disputed Reserve shall revert in and become the property of the Reorganized Debtor. All funds or other property that vest or revert in the Reorganized Debtor pursuant to this paragraph shall be used to pay holders of Allowed Claims and the costs, expenses and fees of the Responsible Person.

**C. Subsequent Distributions**

Any Distribution that is not made on the Initial Distribution Date shall be held by the Responsible Person in a Disputed Reserve pursuant to Article V.B herein and Distributed as soon as practicable after such Claim is Allowed. No interest shall accrue or be paid on the unpaid amount of any Distribution paid on a Subsequent Distribution Date from the Effective Date through and including the Subsequent Distribution Date for any such Claim, in accordance with Article V.L below. The Responsible Person shall promptly make a final Distribution after the resolution of Disputed Claims and after the Responsible Person has either resolved or abandoned all Causes of Action.

**D. Record Date for Distributions**

Except as otherwise provided in a Final Order of the Bankruptcy Court, the transferees of Claims that are transferred, and the assignment thereof is Filed, pursuant to Bankruptcy Rule 3001 on or prior to the Record Date will be treated as the holders of those Claims for all purposes, notwithstanding that any period provided by Bankruptcy Rule 3001 for objecting to the transfer may not have expired by the Record Date. The Debtor and the Responsible Person shall have no obligation to recognize any transfer of any Claim occurring after the Record Date. In making any Distribution with respect to any Claim, the Debtor and the Responsible Person shall be entitled instead to recognize and deal with, for all purposes hereunder, only the Person that is



listed on the proof of Claim filed with respect thereto or on the Schedules as the holder thereof as of the Record Date.

## **E. Delivery of Distributions**

### **1. General Provisions; Undeliverable Distributions**

Subject to Bankruptcy Rule 9010 and except as otherwise provided herein, Distributions to the holders of Allowed Claims shall be made by the Responsible Person at (a) the address of each holder as set forth in the Schedules, unless superseded by the address set forth on proofs of Claim Filed by such holder or (b) the last known address of such holder if no proof of Claim is Filed or if the Debtor or Responsible Person has been notified in writing of a change of address. If any Distribution is returned as undeliverable, the Responsible Person may, in its discretion, make such efforts to determine the current address of the holder of the Claim with respect to which the Distribution was made as the Responsible Person deems appropriate, but no further attempt to make a Distribution to any holder shall be made unless and until the Responsible Person has determined the then-current address of the holder, at which time the Distribution to such holder shall be made to the holder without interest. Amounts in respect of any undeliverable Distributions made by the Responsible Person shall be returned to, and held in trust by, the Responsible Person until the Distributions are claimed or are deemed to be unclaimed property under section 347(b) of the Bankruptcy Code as set forth below in Article V.E. The Responsible Person shall have the discretion to determine how to make Distributions in the most efficient and cost-effective manner possible; *provided, however*, that such discretion may not be exercised in a manner inconsistent with any express requirements of the Plan.

### **2. Special Distribution Provisions Concerning TruPS Claims**

The following additional provisions shall apply specifically to Distributions to be made on account of the TruPS Claims:

(a) Service of Indenture Trustee. Distributions on account of the TruPS Claims shall be made by the Responsible Person to (i) the Indenture Trustee or (ii) with the prior written consent of the Indenture Trustee, through the facilities of DTC, by means of book-entry exchange through the facilities of DTC in accordance with DTC's customary practices. If a Distribution is made to the Indenture Trustee, the Indenture Trustee, in its capacity as a disbursing agent, shall administer the Distributions in accordance with the Plan, including determining the allocation of such Distributions to holders of TruPS Claims, and the TruPS Documents and be compensated in accordance with Article II.D hereof; *provided, however*, that nothing herein shall be deemed to impair, waive or extinguish any rights of the Indenture Trustee with respect to the Charging Lien.

**The Indenture Trustee, acting as disbursing agent, shall only be required to act and make distributions in accordance with the terms of the Plan and shall have no (i) liability for actions taken in accordance with the Plan or in reliance upon information provided to it in accordance with the Plan or (ii) obligation or liability for distributions under the Plan to any party who does not hold a Claim against the Debtor as of the Record Date or who does not otherwise comply with the terms of the Plan.**

(b) Substitution of the Indenture Trustee; Distributions. Upon the occurrence of the Effective Date, the Claims of the Indenture Trustee shall be, for all purposes under the Plan, including, without limitation, the right to receive distributions hereunder, substituted for all Claims of individual holders allegedly holding TruPS Claims. On the Initial Distribution Date, which for the purposes of this Section shall be the Effective Date, all TruPS Claims shall be settled and compromised in exchange for the distribution to the Indenture Trustee of the applicable Distributions to the holders of TruPS Claims as specified in Article III.B.1, subject to the right of the Indenture Trustee to assert its Charging Lien against the applicable Distributions; provided, that the Indenture Trustee shall return to the Responsible Person any Distributions held on account of any TruPS Claims as to which the requirements of Article V.F are not satisfied by three (3) months after the Effective Date. All payments to holders of TruPS Claims shall only be made to such holders after the surrender by each such holder of the certificates representing such Claim, or in the event that such certificate is lost, stolen, mutilated or destroyed, upon the holder's compliance with the requirements set forth in Article V.F. Upon surrender of such certificates, the Indenture Trustee shall cancel and destroy such certificates.

### 3. Unclaimed Property

Except with respect to property not Distributed because it is being held in a Disputed Reserve, Distributions that are not claimed by the expiration of three months from the Initial Distribution Date or any Subsequent Distribution Date, as applicable, shall be deemed to be unclaimed property under section 347(b) of the Bankruptcy Code and shall revert in the Reorganized Debtor, and the Claims with respect to which those Distributions are made shall be automatically deemed waived. After the expiration of that three month period, the claim of any Person to those Distributions shall be discharged and forever barred. Nothing contained in the Plan shall require the Debtor or its Estate or the Responsible Person to attempt to locate any holder of an Allowed Claim. All funds or other property that reverts in the Reorganized Debtor pursuant to this Article V.E shall be distributed by the Responsible Person to the holders of Allowed Claims in accordance with the provisions of the Plan.

### F. Cancellation of Debt

Except for purposes of evidencing a right to Distributions under the Plan or as otherwise provided hereunder, on the Effective Date, all agreements and other documents evidencing Claims or rights of any holder of a Claim against or Equity Interest in the Debtor shall be cancelled, terminated, deemed null and void and satisfied, as against the Debtor, but not as against any other Person.

As a condition to receiving any Distribution, on or before the Initial Distribution Date, the holder of a TruPS Claims evidenced by a certificate, instrument or note, shall (a) surrender such certificate, instrument or note representing such Claim, including, without limitation, any guarantees, and (b) execute and deliver such other documents as may be necessary to effectuate the Plan. If the record holder of a note is DTC or its nominee or another securities depository or custodian thereof, and such note is represented by a global security held by or on behalf of DTC or such other securities depository or custodian, then the beneficial holder of such note shall be deemed to have surrendered such holder's security, note, debenture or other evidence of

indebtedness upon surrender of such global security by DTC or such other securities depository or custodian thereof.

Such certificate, instrument or note, including any such guarantees, shall thereafter be cancelled and extinguished; provided, however, that the Trust Junior Subordinated Debentures and the TruPS Documents shall continue in effect to the extent necessary to (i) allow the Responsible Person to make Distributions on account of the TruPS Claims (ii) allow the Indenture Trustee to make distributions, if any, on account of the TruPS Claims, (iii) permit the Indenture Trustee to assert its Charging Liens against Distributions for payment of the Indenture Trustee Fees, (iv) allow the Indenture Trustee to maintain any right of indemnification, contribution, subrogation or any other Claim it may have under the TruPS Documents, (v) permit the Indenture Trustee to appear in this Chapter 11 Case, and (vi) permit the Indenture Trustee to perform any functions that are necessary to effectuate the foregoing. The Responsible Person shall have the right to withhold any Distribution to be made to or on behalf of any holder of such TruPS Claims unless and until (a) such certificates, instruments or notes, including any such guarantees, are surrendered, or (b) any relevant holder provides to the Responsible Person an affidavit of loss or such other documents as may be required by the Responsible Person together with an appropriate indemnity in the customary form. Any such holder who fails to surrender such certificates, instruments or notes, including any such guarantees, or otherwise fails to deliver an affidavit of loss and indemnity within three (3) months of the Effective Date, shall be deemed to have no further Claim against the Debtor or its property or the Indenture Trustee in respect of such Claim and shall not participate in any Distribution, and the Distribution that would otherwise have been made to such holder shall be distributed pro-rata to all holders who held a Claim pursuant to the applicable Indenture and either (a) surrendered the certificate, instrument or note representing such Claim, including, without limitation, any guarantees or (b) satisfactorily provided the Responsible Person with an affidavit of loss or such other documents as may be required by the Responsible Person together with an appropriate indemnity in the customary form.

#### **G. Manner of Cash Payments Under the Plan**

Cash payments made pursuant to the Plan shall be in United States dollars by checks or by wire transfer drawn on a domestic bank selected by the Responsible Person, at the option of the Responsible Person.

#### **H. Time Bar to Cash Payments by Check**

Checks issued by the Responsible Person on account of Allowed Claims shall be null and void if not negotiated within 90 days after the date of issuance thereof. Requests for the reissuance of any check that becomes null and void pursuant to this Article V.H shall be made directly to the Responsible Person by the holder of the Allowed Claim to whom the check was originally issued. Any claim in respect of such voided check shall be made in writing on or before 45 days after such check being deemed null and void pursuant to this Article V.H. After that date, all claims in respect of void checks shall be discharged and forever barred and the proceeds of those checks shall revert in and become the property of the Reorganized Debtor as unclaimed property in accordance with section 347(b) of the Bankruptcy Code and Article V.E hereof.

**I. Limitations on Funding of Disputed Reserves**

Except as expressly set forth in the Plan, the Debtor, Reorganized Debtor and the Responsible Person shall not have any duty to fund the Disputed Reserves.

**J. Compliance with Tax Requirements**

In connection with making Distributions under this Plan, to the extent applicable, the Responsible Person shall comply with all tax withholding and reporting requirements imposed on it by any Governmental Unit, and all Distributions pursuant to this Plan shall be subject to such withholding and reporting requirements. The Responsible Person may withhold the entire Distribution due to any holder of an Allowed Claim until such time as such holder provides the necessary information to comply with any withholding requirements of any Governmental Unit. Any property so withheld will then be paid by the Responsible Person to the appropriate authority. If the holder of an Allowed Claim fails to provide the information necessary to comply with any withholding requirements of any Governmental Unit within three months from the date of first notification to the holder of the need for such information or for the Cash necessary to comply with any applicable withholding requirements, then such holder's Distribution shall be treated as an undeliverable Distribution in accordance with Article V.E hereof.

**K. No Payments of Fractional Dollars**

Notwithstanding any other provision of the Plan to the contrary, no payment of fractional dollars shall be made pursuant to the Plan. Whenever any payment of a fraction of a dollar under the Plan would otherwise be required, the actual Distribution made shall reflect a rounding down of such fraction to the nearest whole dollar.

**L. Interest on Claims**

Except as specifically provided for in this Plan or the Confirmation Order, interest shall not accrue on Claims and no holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any Claim. Interest shall not accrue or be paid on any Claim that is a Disputed Claim in respect of the period from the Effective Date to the date an interim or final Distribution is made thereon if and after that Disputed Claim becomes an Allowed Claim. Except as expressly provided herein or in a Final Order of the Bankruptcy Court, no prepetition Claim shall be Allowed to the extent that it is for post-petition interest or other similar charges.

**M. No Distribution in Excess of Allowed Amount of Claim**

Notwithstanding anything to the contrary contained in the Plan, no holder of an Allowed Claim shall receive in respect of that Claim any Distribution in excess of the Allowed amount of that Claim.

**N. Setoff and Recoupment**

The Responsible Person may, but shall not be required to, setoff against, or recoup from, any Claim and the Distributions to be made pursuant to the Plan in respect thereof, any Causes of

Action that the Debtor may have against the holder of such Claim, but neither the failure to assert any Cause of Action nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtor of any Cause of Action it may have against the holder of any Claim.

**O. De Minimis Distributions; Charitable Donation**

Notwithstanding anything to the contrary in the Plan, the Responsible Person shall not be required to make a Distribution to any Creditor if the dollar amount of the Distribution is less than \$100, as such amount is so small that the cost of making that Distribution likely would exceed the dollar amount of such Distribution. On or about the time that the final Distribution is made, the Responsible Person may make a charitable donation with undistributed funds if, in the reasonable judgment of the Responsible Person, the cost of calculating and making the final Distribution of the remaining funds is excessive in relation to the benefits to the or holders of Claims, who would otherwise be entitled to such Distributions, provided that such charitable distribution is provided to an Entity not otherwise related to the Reorganized Debtor, the Responsible Person, or a member of the Plan Oversight Committee.

**P. U.S. Trustee Fees**

All outstanding amounts due under 28 U.S.C. § 1930 that have not been paid shall be paid by the Debtor on or before the Effective Date. Thereafter, the Responsible Person shall pay any statutory fees due pursuant to 28 U.S.C. § 1930(a)(6) and such fees shall be paid until entry of a Final Decree or an order converting or dismissing the Chapter 11 Case.

**ARTICLE VI.  
DISPUTED CLAIMS**

**A. No Distribution Pending Allowance**

Notwithstanding any other provision of the Plan, the Responsible Person shall not Distribute any Cash or other property on account of any Disputed Claim unless and until such Claim becomes Allowed.

**B. Resolution of Disputed Claims.**

Unless otherwise ordered by the Bankruptcy Court, after notice and a hearing, on and after the Effective Date, the Responsible Person shall have the right to make and File objections to Claims or Interests, settle, compromise, withdraw, or litigate to judgment objections on behalf of the Debtor's Estate to any and all Claims or Interests, except for Claims deemed Allowed by the Plan, regardless of whether such Claims or Interests are in a Class or otherwise. From and after the Effective Date, the Responsible Person (1) may settle or compromise any Disputed Claim without any further notice to or action, order, or approval of the Bankruptcy Court and (2) shall succeed to the Debtor's rights with respect to any objections to Claims or Interests Filed by the Debtor that remain pending as of the Effective Date. From and after the Effective Date, the Responsible Person shall have the sole authority to direct the Claims Agent to adjust the claims register to reflect any such settlements or compromises without any further notice to or action, order, or approval of the Bankruptcy Court. The costs of pursuing such actions set forth in this Article VI.B shall be paid from the Assets.

**C. Objection Deadline**

All objections to Claims shall be Filed and served upon the holders of each such Claim on or before the Claims Objection Bar Date, unless otherwise ordered by the Bankruptcy Court after notice and a hearing.

**D. Estimation of Claims**

At any time, the Debtor or the Responsible Person may request that the Bankruptcy Court estimate any Disputed Claim that is contingent or unliquidated to the extent permitted by section 502(c) of the Bankruptcy Code regardless of whether the Debtor or the Responsible Person has previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall have jurisdiction to estimate any Claim at any time during litigation concerning any objection to such Claim, including during the pendency of any appeal relating to any such objection. If the Bankruptcy Court estimates any Disputed Claim, that estimated amount shall constitute either the Allowed amount of such Claim or a maximum limitation on the Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on the Claim, the Debtor or the Responsible Person may elect to pursue supplemental proceedings to object to the ultimate allowance of the Claim. All of the aforementioned Claims objection, 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.

**ARTICLE VII.****TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES****A. Rejection of Executory Contracts and Unexpired Leases**

The Plan shall constitute a motion to reject all executory contracts and unexpired leases not previously assumed and assigned pursuant to an order of the Bankruptcy Court, and the Protected Parties and the Reorganized Debtor shall have no further liability thereunder. The entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of any such rejections pursuant to sections 365(a) and 1123 of the Bankruptcy Code and that the rejection thereof is in the best interest of the Debtor, the Estate and all parties in interest in the Chapter 11 Case.

**B. Claims Based on Rejection of Executory Contracts or Unexpired Leases**

Claims created by the rejection of executory contracts and unexpired leases pursuant to Article VII.A herein, or the termination of any executory contract or unexpired lease after the entry of the Confirmation Order, but prior to the Effective Date, must be filed with the Bankruptcy Court and served on the Reorganized Debtor and the Responsible Person no later than thirty (30) days after the Effective Date. Any Claims arising from the rejection of an executory contract or unexpired lease pursuant to Article VII.A for which proofs of Claim are not timely filed within that time period will be forever barred from assertion against the Debtor, the Estate, the Reorganized Debtor, the Responsible Person, their successors and assigns, and their assets and properties, unless otherwise ordered by the Bankruptcy Court or as otherwise provided herein. All such Claims shall, as of the Effective Date, be subject to the permanent

injunction set forth in Article IX.E herein. Unless otherwise ordered by the Bankruptcy Court, all such Claims that are timely filed as provided herein shall be treated as General Unsecured Claims under the Plan and shall be subject to the provisions of Article III herein.

## **ARTICLE VIII. CONDITIONS PRECEDENT TO THE EFFECTIVE DATE**

### **A. Conditions Precedent**

The following are conditions precedent to the Effective Date that must be satisfied or waived:

1. The Confirmation Order has become a Final Order.
2. There shall be no stay or injunction in effect with respect to the Confirmation Order, which such Confirmation Order shall contain approval of the releases provided for herein.
3. The appointment of the Responsible Person shall have been confirmed by entry of the Confirmation Order or other order of the Bankruptcy Court.
4. The Initial Budget shall have been approved by both the Debtor and the Official Committee.

### **B. Waiver**

Notwithstanding the foregoing conditions in Article VIII.A, the Debtor reserves, in its sole discretion, the right to waive the occurrence of any condition precedent to the Effective Date or to modify any of the foregoing conditions precedent. Any such written waiver of a condition precedent set forth in this Article may be effected at any time, without notice, without leave or order of the Bankruptcy Court, and without any formal action other than proceeding to consummate the Plan. Any actions required to be taken on the Effective Date shall take place and shall be deemed to have occurred simultaneously, and no such action shall be deemed to have occurred prior to the taking of any other such action.

## **ARTICLE IX. INDEMNIFICATION, RELEASE, INJUNCTIVE AND RELATED PROVISIONS**

### **A. Compromise and Settlement**

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 settlement and compromise of all Claims and Equity Interests. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all Claims and Equity Interests, as well as a finding by the Bankruptcy Court that such compromise or settlement is fair, equitable, reasonable and in the best interests of the Debtor, the Estate and holders of Claims and Equity Interests.

## B. Releases

1. **Releases by the Debtor.** Notwithstanding anything contained in the Plan to the contrary, as of the Effective Date, for the good and valuable consideration provided by each of the Releasees, the Debtor hereby provides a full discharge and release to the Releasees (and each such Releasee so released shall be deemed to release and discharge the Debtor) from any and all Causes of Action, existing as of the Effective Date or thereafter arising, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way to the Debtor (including those in any way related to the Chapter 11 Case or the Plan), including, without limitation, those Causes of Action the Debtor would have been legally entitled to assert or that any Person would have been legally entitled to assert for or on behalf of the Debtor; *provided, however*, that the foregoing provisions of this Article IX.B.1 shall not operate to waive or release any Causes of Action expressly set forth in and preserved by the Plan; *provided, further*, that the foregoing provisions of this Article IX.B.1 shall not release or otherwise affect any objection that has been or may be filed with respect to any Claim asserted by a Releasee; *provided, further*, that the foregoing provisions of this Article IX.B.1 shall not operate to waive or release any Causes of Action accrued by the Debtor in the ordinary course of business against holders of General Unsecured Claims.

2. **Releases by the Releasing Parties.** Except as otherwise provided in Article IX.B, each Releasing Party who votes to accept the Plan and does not mark such ballot to indicate their refusal to grant the release provided for in this paragraph, shall be deemed to fully, completely, unconditionally, irrevocably, and forever release the Releasees of and from any and all Claims and Causes of Action, as of the Effective Date or thereafter arising, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way to the Debtor and its current and former affiliates and Representatives.

3. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the releases set forth in this Article IX.B pursuant to Bankruptcy Rule 9019 and its finding that they are: (a) in exchange for good and valuable consideration, representing a good faith settlement and compromise of the Claims and Causes of Action thereby released; (b) in the best interests of the Debtor and all holders of Claims and Equity Interests; (c) fair, equitable and reasonable; (d) approved after due notice and opportunity for hearing; and (e) a bar to any of the Debtor or Releasing Parties, subject to Article IX.B hereof, asserting any Claim or Cause of Action thereby released.

## C. Exculpation

Notwithstanding anything contained in the Plan to the contrary, the Exculpated Parties shall neither have nor incur any liability to any Entity for any Claims and Causes of Action arising after the Petition Date, including any act taken or omitted to be taken in connection with, or related to formulating, negotiating, preparing, disseminating, implementing, administering, confirming or consummating the Plan, the Disclosure



Statement, or any other contract, instrument, release or other agreement or document created or entered into in connection with the Plan or any other postpetition act taken or omitted to be taken in connection with or in contemplation of the Sale or in connection with the Chapter 11 Case; *provided, however*, that the foregoing provisions of this Article IX.C shall have no effect on the liability of any Person that results from any such act or omission that is determined in a Final Order to have constituted gross negligence or willful misconduct; *provided, further*, that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning its duties; *provided, further*, that the foregoing provisions of this Article IX.C shall not apply to any acts, omissions, Claims, Causes of Action or other obligations expressly set forth in and preserved by the Plan or any defenses thereto.

#### **D. Preservation of Causes of Action**

##### **1. Vesting of Causes of Action**

(a) Except as otherwise provided in the Plan or Confirmation Order, in accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that the Debtor or the Estate may hold against any Person shall vest in the Reorganized Debtor on and after the Effective Date.

(b) Except as otherwise provided in the Plan or Confirmation Order, after the Effective Date, the Responsible Person shall have the exclusive right, but not the obligation, to investigate, institute, prosecute, abandon, settle or compromise any Causes of Action, in his or her sole discretion and without further order of the Bankruptcy Court, in any court or other tribunal, including, without limitation, in an adversary proceeding filed in the Chapter 11 Case.

##### **2. Preservation of All Causes of Action Not Expressly Settled or Released**

(a) Unless a Cause of Action against any Person is expressly waived, relinquished, released, compromised or settled in the Plan or any Final Order (including the Confirmation Order), the Debtor and/or the Estate expressly reserve such Cause of Action for the Reorganized Debtor and Responsible Person and, therefore, no preclusion doctrine, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches shall apply to such Causes of Action upon or after the entry of the Confirmation Order or the Effective Date based on the Disclosure Statement, Plan or Confirmation Order, except where such Causes of Action have been expressly released in the Plan (including, without limitation, and for the avoidance of doubt, the releases contained in Article IX.B.1) or any other Final Order (including the Confirmation Order). In addition, the Debtor and the Estate expressly reserve the right of the Responsible Person to pursue or adopt any claims alleged in any lawsuit in which the Debtor is a defendant or an interested party, against any Person, including, without limitation, the plaintiffs or co-defendants in such lawsuits.

(b) Subject to the description in the immediately preceding paragraph, any Person to whom the Debtor has incurred an obligation (whether on account of services,

purchase or sale of goods or otherwise), or who has received services from the Debtor or a transfer of money or property of the Debtor, or who has transacted business with the Debtor, or leased equipment or property from or to the Debtor should assume that any such obligation, transfer, or transaction may be reviewed by the Responsible Person subsequent to the Effective Date and may be the subject of an action after the Effective Date, regardless of whether: (i) such Person filed a proof of claim against the Debtor in the Chapter 11 Case; (ii) the Debtor has objected to any such Person's proof of claim; (iii) any such Person's Claim was included in the Schedules; (iv) the Debtor has objected to any such Person's scheduled Claim; or (v) any such Person's scheduled Claim has been identified by the Debtor as disputed, contingent or unliquidated.

#### **E. Injunction**

1. From and after the Effective Date, all Persons are permanently enjoined from commencing or continuing in any manner against the Debtor, the Estate, the Responsible Person, their successors and assigns, 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 the Plan or the Confirmation Order.

2. Except as otherwise expressly provided for in the Plan or in obligations issued pursuant to the Plan, from and after the Effective Date, all Entities shall be precluded from asserting against the Debtor, the Estate, the Responsible Person, their successors and assigns, and their assets and properties, any other Claims or Equity Interests based upon any documents, instruments, or any act or omission, transaction or other activity of any kind or nature that occurred prior to the Effective Date.

3. The rights afforded in the Plan and the treatment of all Claims and Equity Interests in the Plan shall be in exchange for and in complete satisfaction of Claims and Equity Interests of any nature whatsoever, against the Debtor or any of its assets or properties. On the Effective Date, all such Claims against, and Equity Interests in, the Debtor shall be satisfied and released in full.

4. Except as otherwise expressly provided for in the Plan or in obligations issued pursuant to the Plan, all Persons are permanently enjoined, on and after the Effective Date, on account of any Claim or Equity Interest satisfied and released hereby, from:

(a) commencing or continuing in any manner any action or other proceeding of any kind against the Debtor, the Estate, the Responsible Person, their successors and assigns, and their assets and properties;

(b) enforcing, attaching, collecting or recovering by any manner or means any judgment, award, decree or order against the Debtor, the Estate, the Responsible Person, their successors and assigns, and their assets and properties;

(c) creating, perfecting or enforcing any encumbrance of any kind against the Debtor, the Estate, the Responsible Person, their successors and assigns, and their assets and properties;

(d) asserting any right of setoff or subrogation of any kind against any obligation due from the Debtor or against the property or Estate of the Debtor, except to the extent a right to setoff or subrogation is asserted with respect to a timely filed proof of claim; and

(e) commencing or continuing in any manner any action or other proceeding of any kind in respect of any Claim, Equity Interest or Cause of Action released or settled hereunder.

#### **F. Releases 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, all Liens against property of the Estate shall be fully released and discharged.

### **ARTICLE X. RETENTION OF JURISDICTION**

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall, after the Effective Date, retain such jurisdiction over the Chapter 11 Case and all Entities with respect to all matters related to the Chapter 11 Case, the Debtor, the Reorganized Debtor and the Plan as is legally permissible, including, without limitation, jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Equity Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the allowance or priority of Claims or Equity Interests;

2. grant, deny or otherwise resolve any and all applications of Professionals or Persons retained in the Chapter 11 Case by the Debtor or the Official Committee for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan, for periods ending on or before the Effective Date;

3. resolve any matters related to the assumption, assignment or rejection of any executory contract or unexpired lease to which the Debtor is party or with respect to which the Debtor may be liable and to hear, determine and, if necessary, liquidate, any Claims arising therefrom;

4. ensure that Distributions to holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

5. decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving the Debtor that may be pending on the Effective Date or instituted by the Responsible Person after the Effective Date, *provided, however*, that the Debtor and the Estate and, following the Effective Date, the Responsible Person shall reserve the right of the Responsible Person to commence actions in all appropriate jurisdictions;

6. enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all other contracts, instruments, releases, indentures and other agreements or documents adopted in connection with the Plan;

7. resolve any cases, controversies, suits or disputes that may arise in connection with the Effective Date, interpretation or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;

8. issue injunctions, enforce them, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with the Effective Date or enforcement of the Plan, except as otherwise provided in the Plan;

9. enforce Article IX.A, Article IX.B and Article IX.C hereof;

10. enforce the Injunction set forth in Article IX.E hereof;

11. resolve any cases, controversies, suits or disputes with respect to the releases, injunction and other provisions contained in Article IX herein, and enter such orders as may be necessary or appropriate to implement or enforce all such releases, injunctions and other provisions;

12. enter and implement such orders as necessary or appropriate if the Confirmation Order is modified, stayed, reversed, revoked or vacated;

13. resolve any other matters that may arise in connection with or relate to the Plan, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document adopted in connection with the Plan; and

14. enter an order and/or the Final Decree concluding the Chapter 11 Case.

## **ARTICLE XI. MISCELLANEOUS PROVISIONS**

### **A. Modification of Plan**

Subject to the limitations contained in the Plan: (1) the Debtor reserves the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules, after consultation with the Official Committee, to amend or modify the Plan prior to the entry of the Confirmation Order, including amendments or modifications to satisfy section 1129(b) of the Bankruptcy Code; and (2) after the entry of the Confirmation Order, the Debtor or the Responsible Person may, upon order of the Bankruptcy Court, amend or modify the Plan, in accordance with section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan.

### **B. Revocation of Plan**

The Debtor reserves the right to revoke or withdraw the Plan prior to the entry of the Confirmation Order and to file subsequent chapter 11 plans. If the Debtor revokes or withdraws

the Plan or if entry of the Confirmation Order or the Effective Date does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan, assumption or rejection of executory contracts or leases effected by the Plan, and any document or agreement executed pursuant hereto shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the Debtor or any other Entity; (b) prejudice in any manner the rights of the Debtor or any other Entity; or (c) constitute an admission of any sort by the Debtor or any other Entity.

**C. Binding Effect**

On the Effective Date, the provisions of the Plan shall bind any holder of a Claim against, or Equity Interest in, the Debtor and such holder's respective successors and assigns, whether or not the Claim or Equity Interest of such holder is Impaired under the Plan, whether or not such holder has accepted the Plan and whether or not such holder is entitled to a Distribution under the Plan.

**D. Successors and Assigns**

The rights, benefits and obligations of any Entity named or referred to herein shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such Entity.

**E. Governing Law**

Except to the extent that the Bankruptcy Code or Bankruptcy Rules apply, and subject to the provisions of any contract, instrument, release, indenture or other agreement or document entered into in connection herewith, the rights and obligations arising hereunder shall be governed by, and construed and enforced in accordance with, the laws of the state of Delaware, without giving effect to the principles of conflict of laws thereof.

**F. Reservation of Rights**

Except as expressly set forth herein, the Plan shall have no force or effect unless and until the Bankruptcy Court enters the Confirmation Order and the Effective Date has occurred. Neither the filing of the Plan, any statement or provision contained herein, nor the taking of any action by the Debtor or any Entity with respect to the Plan shall be or shall be deemed to be an admission or waiver of any rights of: (1) the Debtor with respect to the holders of Claims or Equity Interests or other parties-in-interest; or (2) any holder of a Claim or other party-in-interest prior to the Effective Date.

**G. Article 1146 Exemption**

Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant hereto 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 the appropriate state or local governmental officials or agents to forego 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.

**H. Section 1125(e) Good Faith Compliance**

Confirmation of the Plan shall act as a finding by the Bankruptcy Court that the Debtor and each of its Representatives have acted in “good faith” under section 1125(e) of the Bankruptcy Code.

**I. Further Assurances**

The Debtor, all holders of Claims receiving Distributions hereunder 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 or the Confirmation Order.

**J. Service of Documents**

Any pleading, notice or other document required by the Plan to be served on or delivered to the Debtor shall be sent by first class U.S. mail, postage prepaid as follows:

*To the Debtor:*

Mercantile Bancorp, Inc.  
200 North 33rd Street  
Quincy, Illinois 62301  
Attn: Lee Roy Keith

with a copy to:

DLA Piper LLP (US)  
203 N. LaSalle Street, Suite 1900  
Chicago, Illinois 60601  
Attn: Kimberly D. Newmarch, Esq.  
Aaron M. Paushter, Esq.

-and-

DLA Piper LLP (US)  
1201 North Market Street, Suite 2100  
Wilmington, Delaware 19801  
Attn: Stuart M. Brown, Esq.

*To the Responsible Person:*

Attn: Jonathan Morrison  
AEG Partners LLC  
200 W Madison Street, Suite 2410  
Chicago, Illinois 60606

*To the Official Committee:*

Kirkland & Ellis LLP  
300 N. LaSalle Street  
Chicago, Illinois 60654  
Attn: David R. Seligman, Esq.  
Jeffrey W. Gettleman, Esq.

*To the Plan Oversight Committee:*

Carolyn Thagard  
Trapeza Capital Management, LLC as Collateral Manager for  
Trapeza CDO XIII, Ltd.  
441 Vine Street, Suite 1300  
Cincinnati, Ohio 45202

- and -

James Brennan  
US Capital Funding V Ltd., c/o Stone Castle Advisors LLC  
152 W. 57th Street, 35th Floor  
New York, New York 10019

**K. Filing of Additional Documents**

On or before the Effective Date, the Debtor may file with the Bankruptcy Court all agreements and other documents that may be necessary or appropriate to effectuate and further evidence the terms and conditions hereof.

**L. No Stay of Confirmation Order**

The Confirmation Order shall contain a waiver of any stay of enforcement otherwise applicable, including pursuant to Bankruptcy Rules 3020(e), 6004(h) and 7062.

*[remainder of page intentionally left blank]*

Dated: June 26, 2014

**Mercantile Bancorp, Inc.**

By:  \_\_\_\_\_

Name: Lee Roy Keith

Title: President & Chief Executive Officer