

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION**

In re:) Chapter 11
)
MW GROUP, LLC,) Case No. 11-32674
)
Debtor.)
_____)
_____)

**FIRST AMENDED DISCLOSURE STATEMENT TO ACCOMPANY
CHAPTER 11 AMENDED PLAN OF BANK OF AMERICA, N.A.**

DATED January 15, 2014

IMPORTANT DATES

- Date by which objections to disclosure statements must be filed and served: January 22, 2014.
- Hearing on approval of disclosure statements: 10:30 a.m. (Eastern) on January 29, 2014.

D. Kyle Deak (N.C. State Bar I.D. No. 35799)
TROUTMAN SANDERS LLP
434 Fayetteville Street, Suite 1900
Raleigh, North Carolina 27601
Telephone: (919) 835-4103
Facsimile: (919) 829-8700

Gus A. Paloian (6188186)
Jason J. DeJonker (6272128)
SEYFARTH SHAW LLP
131 South Dearborn Street
Chicago, Illinois 60603
Telephone: (312) 460-5000
Facsimile: (312) 460-7000

Shuman Sohrn (Ga. Bar 143104)
SEYFARTH SHAW LLP
1075 Peachtree Street, Suite 2500
Atlanta, Georgia 30309
Telephone: (404) 885-1500
Facsimile: (404) 892-7056

**Attorneys for Bank of America, N.A., successor by merger to
LaSalle Bank National Association**

PLEASE READ THIS IMPORTANT INFORMATION FIRST

Bank of America, N.A. ("Bank of America"), successor by merger to LaSalle Bank National Association ("LaSalle"), files this first amended disclosure statement ("Amended Bank Disclosure Statement") pursuant to Bankruptcy Code section 1125 and Rule 3016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") in conjunction with its Chapter 11 Amended Plan (the "Amended Bank Plan") for MW Group, LLC ("Debtor"), filed with the Bankruptcy Court. **All capitalized terms not defined herein shall have the definition set forth in the Amended Bank Plan.**

Two separate plans of reorganization have been proposed for Debtor's bankruptcy estate - (1) the Amended Bank Plan, submitted by Bank of America and (2) the First Amended Plan of Reorganization Pursuant to Section 1125 of the Bankruptcy Code, submitted by Debtor (the "Debtor Plan," collectively with the Amended Bank Plan, the "Plans"). Both Bank of America and Debtor are soliciting acceptances with respect to the Amended Bank Plan and the Debtor Plan respectively. A copy of the Amended Bank Plan is enclosed herewith as **Exhibit A**, while a copy of the Debtor Plan accompanies the Disclosure Statement of MW Group, LLC Relating to First Amended Plan of Reorganization Pursuant to Section 1125 of the Bankruptcy Code ("Debtor Disclosure Statement").

This solicitation is conducted in order to obtain sufficient acceptances to enable the Bankruptcy Court to confirm one of the Plans pursuant to the provisions of Bankruptcy Code section 1129. As set forth in the Summary of Voting Procedures below, each class of Claims entitled to vote on the Plans will vote separately with respect to each Plan. However, the Bankruptcy Court can only confirm one Plan.

The purpose of the Amended Bank Disclosure Statement is to set forth: (a) the history of Debtor, its business, and its Chapter 11 Case; (b) information concerning the Amended Bank Plan and Bank of America's position with respect to the Debtor Plan; (c) information for the holders of Claims and Equity Interests (each, a "Holder" and collectively, the "Holders" as defined in the Amended Bank Plan) regarding their rights under the Amended Bank Plan and Bank of America's position with respect to the likely treatment of Allowed Claims against Debtor under the Debtor Plan; and (d) information to assist the Bankruptcy Court in determining whether any or all of the Plans comply with the provisions of chapter 11 of the Bankruptcy Code and whether one of the Plans should be confirmed.

On _____, the Bankruptcy Court: (i) approved this Amended Bank Disclosure Statement, in accordance with Bankruptcy Code section 1125, as containing "adequate information" to enable a typical Holder of a Claim or Equity Interest in Debtor to make an informed judgment as to whether to vote to accept or reject the Amended Bank Plan; and (ii) authorized its use in connection with the solicitation of votes (the "Solicitation") with respect to the Amended Bank Plan. **This Amended Bank Disclosure Statement is not intended to replace a careful and detailed review and analysis of the Amended Bank Plan by each Holder, but instead is intended only to aid and supplement that review. Any description of the Amended Bank Plan is a summary only. Holders and other parties-in-interest are cautioned to review the Amended Bank Plan and any related attachments in their entirety for a full understanding of the provisions of the Amended Bank Plan.** This Amended Bank Disclosure Statement is qualified in its entirety by reference to the full text of the Amended Bank Plan and the exhibits and attachments to each of the Amended Bank Plan. If any inconsistency exists between the terms of the Amended Bank Plan and this Amended Bank Disclosure Statement, the terms and provisions of the Amended Bank Plan shall control.

Bank of America recognizes that Debtor disagrees with certain of the contentions set forth hereinabove.

TABLE OF CONTENTS

I. SUMMARY..... 1

 A. General Features of the Amended Bank Plan..... 1

 B. Purpose of the Amended Bank Disclosure Statement 2

 C. Source of Information Contained in the Amended Bank Disclosure Statement 2

 D. Explanation of the Chapter 11 Case and the Amended Bank Plan Confirmation Process 3

 E. Procedure for Filing Proof of Claim and Proof of Interest 3

 F. Treatment of Executory Contracts and Unexpired Leases 4

 G. Confirming and Consummating the Amended Bank Plan..... 4

 H. Risk Factors 5

II. VOTING INSTRUCTIONS..... 5

 A. Summary of Classified Claims and Interest..... 5

 B. Impaired Voting Classes 5

 C. Impaired Non-Voting Class 5

 D. Voting 6

III. KEY TERMS OF THE AMENDED BANK PLAN 6

 A. Treatment of Claims 6

 B. Analysis of Treatment of Claims 6

IV. GENERAL INFORMATION..... 7

 A. Overview of Chapter 11..... 7

 B. Debtor’s History..... 7

 C. Capital Structure and Assets. 8

 D. Equity Structure and Management..... 9

V. RECOMMENDATION OF BANK OF AMERICA FOR CONFIRMATION OF THE AMENDED BANK PLAN 10

VI. SUMMARY OF AMENDED BANK PLAN..... 10

 A. Purpose and Effect of the Amended Bank Plan..... 10

 B. Summary of Classified Claims and Equity Interest..... 11

 C. Executory Contracts..... 13

 D. Means For Execution Of The Amended Bank Plan..... 14

 E. General Provisions Governing Distributions By Debtor Prior To Effective Date..... 16

 F. Effect of Confirmation; Discharge, Release And Extinguishment Of Liens, Claims, Interests, And Encumbrances. 18

 G. Injunction Against Enforcement Of Pre-Confirmation Debt..... 19

 H. Conditions To Effective Date. 20

 I. Provisions For The Resolution Of Objections To Proofs Of Claim. 22

 J. General Provisions Relating To Reserves Prior To Effective Date..... 23

 K. Retention Of Jurisdiction. 24

 L. General Provisions Of The Amended Bank Plan. 26

 M. Substantial Consummation. 29

VII. CONFIRMATION PROCEDURES 29

 A. The Confirmation Hearing..... 29

 B. Risk Factors. 33

 C. Identity of Persons to Contact for More Information. 33

VIII. CERTAIN RISK FACTORS AFFECTING CONFIRMATION OF THE AMENDED BANK PLAN 33

IX. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE AMENDED BANK PLAN 35

 A. The Debtor Plan. 35

 B. Liquidation under Chapter 7..... 35

 C. Alternative Plan of Reorganization..... 35

X. MISCELLANEOUS PROVISIONS..... 35

 A. Attachments; Entire Agreement..... 35

 B. Amended Bank Plan Amendments. 36

 C. Governing Law. 36

 D. No Admissions..... 36

XI. CONCLUSION AND RECOMMENDATION 37

Exhibits

- Exhibit A: Amended Bank Plan**
- Exhibit B: Sales Bidding Procedures**
- Exhibit C: Liquidation Analysis**

I.
SUMMARY

Debtor filed its voluntary petition for relief under Chapter 11 of the Bankruptcy Code (the "Chapter 11 Case" under the Amended Bank Plan) on October 21, 2011 (the "Petition Date" in the Amended Bank Plan) in the Bankruptcy Court for the Western District of North Carolina (Charlotte Division) (the "Bankruptcy Court"). On November 16, 2012, Bank of America filed its original Chapter 11 Plan of Liquidation of Bank of America, N.A. (the "Original Bank Plan") and its Disclosure Statement Accompanying the Bank Plan (the "Original Bank Disclosure Statement") with the Bankruptcy Court. On January 13, 2014, Bank of America filed its Amended Bank Plan and this Amended Disclosure Statement. On _____, the Bankruptcy Court approved the Amended Bank Disclosure Statement.

A. **General Features of the Amended Bank Plan**

1. Sale of the Real Property.

Debtor and Bank of America will jointly conduct a sale of the Real Property (defined as a "Sale" under the Amended Bank Plan), under the jurisdiction of the Bankruptcy Court, after an appropriate period of marketing. Such Sale shall close within six (6) months of the Confirmation Date. Debtor, at the direction of Bank of America, will appoint a broker (the "Broker") to market the property.

2. Treatment of Allowed Claims (Excluding The Allowed Claims Of Insiders and the Bank Secured Claim).

Bank of America has agreed to allow existing Cash Collateral to be used to pay, in full, the holders of the following Allowed Claims as of the Effective Date of its Amended Bank Plan:

- Allowed Administrative Claims,
- Allowed Priority Tax Claims,
- Allowed Priority Non-Tax Claims
- Allowed Secured Tax Claims,
- Allowed General Unsecured, Non-Insider Claims (excluding the Allowed Claims of Insiders and employees of Debtor), and
- Allowed Other Secured Claims (excluding the Allowed Bank Secured Claim).

3. Treatment of Bank Secured Claim and Extension of Bank Loan.

Prior to the Petition Date, Bank of America provided a loan in the original principal amount of \$6.25 million (the "Loan" under the Amended Bank Plan) to Debtor secured by the Real Property. As of January 1, 2014, Bank of America holds a secured claim totaling at least \$6,483,980.01 (the "Bank Secured Claim" under the Amended Bank Plan) based thereon. Under the Amended Bank Plan, Bank of America proposes to waive approximately \$500,000 of its Allowed Bank Secured Claim, with the Allowed Bank Secured Claim, for distribution purposes, limited to \$5,900,000.00.

4. *Treatment of Allowed Insider Claims.*

Allowed Insider Claims consist of Unsecured Claims that are held by, or were originally held by, Insiders (including employees) of Debtor. Accordingly, to the extent each such Claim is Allowed, Allowed Insider Claims include the Claims held by or originally held by, *inter alia*, Laurance Freed, DDL, LLC, CF Palwaukee, LLC, Donald James, Laurance Realty, and certain employees subject to that certain Weyland Apartments Stay Incentive Compensation Plan, effective December 20, 2007. Further, to the extent an Executory Contract between Debtor and an Insider is rejected pursuant to the Bank Amended Plan, the rejection damages flowing from such rejection, if deemed Allowed, shall also constitute an Allowed Insider Claim. Allowed Insider Claims shall receive a pari passu distribution from the proceeds of the Sale after payment in full of the Allowed Bank Secured Claim (subject to the cap of \$5,900,000).

B. Purpose of the Amended Bank Disclosure Statement

The purpose of this Amended Bank Disclosure Statement is to provide Holders with adequate information about the Amended Bank Plan to enable each Holder to make an informed judgment on the merits of the Amended Bank Plan. This Amended Bank Disclosure Statement does not replace the Amended Bank Plan and therefore Holders are urged to carefully read both the Amended Bank Plan and this Amended Bank Disclosure Statement and to consult with counsel concerning the impact that these documents will have upon each Holder's legal rights.

Bank of America submits this Amended Bank Disclosure Statement to all known Holders of Claims and Equity Interests of Debtor whose Claims or Equity Interests are affected under the Amended Bank Plan. The purpose of this Amended Bank Disclosure Statement is to present all information necessary to satisfy the requirements of the Bankruptcy Code and to enable Holders to make and form prudent decisions in exercising their rights to accept or reject the Amended Bank Plan. By approving this Amended Bank Disclosure Statement, the Bankruptcy Court will neither recommend acceptance nor rejection of the Amended Bank Plan. The hearing on the Amended Bank Disclosure Statement is to determine whether the Amended Bank Disclosure Statement contains "adequate information" as that term is defined in Bankruptcy Code section 1125(a)(1), and approval is not tantamount to a decision on the merits of the Amended Bank Plan.

C. Source of Information Contained in the Amended Bank Disclosure Statement

Holders are encouraged to read and carefully consider the matters described in this Amended Bank Disclosure Statement, paying careful attention to the summary of the Amended Bank Plan and the risks of the Amended Bank Plan. Prior to voting on the Amended Bank Plan, each Holder of a Claim should consult such Holder's attorney, accountant, tax advisor, and financial advisor as to the effect of the Amended Bank Plan on such Holder, including, without limitation, the tax effects of the Amended Bank Plan. In making a voting decision, each Holder must rely on the Holder's own examination of Debtor and the terms of the Amended Bank Plan, including the merits and risks involved.

The statements and information about Debtor, including financial information, financial projections, and information regarding Claims or Equity Interests contained in this Amended Bank Disclosure Statement, have been prepared from information provided by Debtor and its advisors. No statement or information concerning Debtor (particularly as to financial condition or with respect to distributions to be made under the Amended Bank Plan) or its assets, properties, or businesses that is given for the purpose of soliciting acceptances of the Amended Bank Plan is authorized, other than as set forth in this Disclosure Statement. The information contained in this Amended Bank Disclosure Statement has not been subject to audit by independent certified public accountants. The books and records of Debtor are not warranted or represented to be complete and historically accurate.

Nothing contained herein shall constitute an admission of any fact or liability by any party, be admissible in any proceeding involving Debtor or any other party, be deemed evidence of the tax or other legal consequences or effects of the Amended Bank Plan, or be construed as a representation of Bank of America.

D. Explanation of the Chapter 11 Case and the Amended Bank Plan Confirmation Process

The Amended Bank Plan sets forth the means for satisfying Claims against Debtor under Chapter 11 of the Bankruptcy Code. Chapter 11 does not require that each Holder of a Claim against Debtor vote in favor of a plan in order for a Bankruptcy Court to confirm a plan. The Amended Bank Plan must be accepted, however, by the Holders of at least one “impaired” Class without considering claims of an “insider” within the meaning of the Bankruptcy Code. A Holder of an Impaired Claim, as defined in Bankruptcy Code section 1124, or Equity Interest is entitled to vote to accept or reject the Amended Bank Plan if such Claim or Equity Interest has been allowed under Bankruptcy Code section 502. In order for an impaired Class to be deemed to have accepted a plan, a majority number of Holders and two-thirds in dollar amount of the total Allowed Claims actually voting in the Class must vote in favor of the Amended Bank Plan.

Even if all Classes of Claims and Equity Interests accept the Amended Bank Plan, the Court may not confirm it under certain circumstances. Bankruptcy Code section 1129 sets forth the requirements for confirmation. Among other things, that section requires that the Amended Bank Plan be in the best interest of Holders and Equity Interests and that the value to be distributed to Holders and Equity Interests be not less than the value those parties would receive if Debtor were liquidated under Chapter 7 of the Bankruptcy Code.

The Bankruptcy Court may confirm the Amended Bank Plan even though less than all of the Classes of impaired Claims or Equity Interests accept it, so long as one Class of impaired Claims (excluding Insider Claims) accepts the Amended Bank Plan. Confirmation of the Amended Bank Plan over the objection of one or more Classes or Claims or Equity Interests is generally referred to as *Cramdown*. The circumstances under which the Court may confirm the Amended Bank Plan over the objection of a Class of Claims or Equity Interests are set forth in Bankruptcy Code section 1129(b). The Amended Bank Plan may be crammed-down, if, in addition to satisfying the usual requirements of Bankruptcy Code section 1129, it (1) does not discriminate unfairly, and (2) is fair and equitable with respect to each Class of Claims or Equity Interests that is impaired under, and has not accepted, the Amended Bank Plan. *See* 11 U.S.C. § 1129(b).

For purposes of seeking cramdown, should that alternative be necessary, Bank of America reserves the right to modify or vary the treatment of any Class, as provided in the Amended Bank Plan. Confirmation of the Amended Bank Plan is binding upon Debtor, all Holders, and all other parties-in-interest, regardless of whether or not they have accepted the Amended Bank Plan.

Only one of the competing Plans may be confirmed. If the Court should determine that both the Amended Bank Plan and Debtor Plan meet all requisite requirements for confirmation under the Bankruptcy Code, the Court will decide which of the competing Plans will confirmed.

E. Procedure for Filing Proof of Claim and Proof of Interest

The General Bar Date for filing a Proof of Claim or Proof of Interest was February 21, 2012. If a Holder is listed in Debtor’s Schedules of Assets and Liabilities as holding non-contingent, liquidated and undisputed Claims in an amount certain, that Holder was not required to file a Proof of Claim and may therefore have elected not to file such a Proof of Claim. Debtor’s Schedules of Assets and Liabilities are on file at the Bankruptcy Court and are available for inspection during regular business hours.

F. Treatment of Executory Contracts and Unexpired Leases

Debtor will assume certain Executory Contracts upon the Effective Date. Bank of America, in the Amended Bank Plan Supplement, will designate those Executory Contracts in a schedule (the “Contract/Lease Schedule” under the Amended Bank Plan) to be assumed and will provide notice to all counterparties to any agreement identified in the Contract/Lease Schedule within fourteen (14) days after the Confirmation Hearing. Any monetary amounts by which each Executory Contract to be assumed pursuant to the Amended Bank Plan is in default shall be satisfied, pursuant to Bankruptcy Code section 365(b)(1), by payment of the default amount in Cash on the later of (a) the Effective Date, (b) as due in the ordinary course of business, or (c) on such other terms as Debtor (or Property Manager, if applicable) and the non-Debtor counterparties to such executory contracts or unexpired leases may otherwise agree. In the event of a dispute regarding: (a) the amount of any cure payments; (b) the ability of Debtor to provide “adequate assurance of future performance” (within the meaning of Bankruptcy Code section 365) under the contract or lease to be assumed; or (c) any other matter pertaining to assumption, the cure payments required by Bankruptcy Code section 365(b)(1) shall be made following the entry of a Final Order resolving the dispute and approving the assumption.

Effective as of the Effective Date, Debtor shall be deemed to have rejected any Executory Contract that is not listed in the Contract/Lease Schedule. Except as the Bankruptcy Court established in the Rejection Order, or unless the Bankruptcy Court, the Bankruptcy Code or the Bankruptcy Rules establish an earlier deadline with regard to the rejection of particular Executory Contracts, any Claims arising out of the rejection of Executory Contracts pursuant to Sections 3.1 and 3.2 of the Amended Bank Plan must be filed with the Bankruptcy Court and served upon Debtor, Property Manager (if applicable), and Bank of America no later than thirty days after entry of the Confirmation Order. Any Claims not filed within the time set forth in the Rejection Order or as provided in the Amended Bank Plan, are, or will be, forever barred and will not receive any distributions under the Amended Bank Plan. Except as provided in Section 3.2.1 of the Amended Bank Plan, all Claims arising from the rejection of an Executory Contract shall be treated as a Class 2 General Unsecured, Non-Insider Claim. As of the Effective Date, Debtor will reject (a) the management contract between Debtor and Laurance Realty, and, (b) to the extent Bank of America determines that it constitutes an executory contract, the Weyland Apartments Stay Incentive Compensation Plan, dated December 20, 2007. Unlike Claims relating to the rejection of other Executory Contracts, Claims relating to Debtor’s rejection of these two contracts, if any, shall be classified as Class 3 Insider Claims under the Amended Bank Plan, and therefore, are not subject to the Bank Carve Out Payments provided in the Amended Bank Plan.

G. Confirming and Consummating the Amended Bank Plan

It shall be a condition to Confirmation of the Amended Bank Plan that all provisions, terms and conditions of the Amended Bank Plan are approved in the Confirmation Order, in form and substance reasonably satisfactory to Bank of America. In addition, certain other conditions contained in the Amended Bank Plan shall have been satisfied or waived pursuant to Article 4 of the Amended Bank Plan.

Following Confirmation, the Amended Bank Plan will be consummated on the date selected by Bank of America, after consultation with Debtor, that is one or more business days after the Confirmation Date on which: (1) no stay of the Confirmation Order is in effect and (2) all conditions to consummation of the Amended Bank Plan have been (a) satisfied or (b) waived (the “Effective Date” under the Amended Bank Plan). Distributions will be made on or as soon after the Effective Date as practicable, and as provided in the Amended Bank Plan. It shall be a condition to Consummation of the Amended Bank Plan that the certain conditions contained in the Amended Bank Plan shall have been satisfied or waived pursuant to the provisions of Article 8 of the Amended Bank Plan.

H. Risk Factors

Prior to deciding whether and how to vote on the Amended Bank Plan, each Holder of Impaired Claims should consider carefully all of the information in this Amended Bank Disclosure Statement, especially the Risk Factors described in Article VIII hereof.

Bank of America recognizes that Debtor disagrees with certain of the contentions set forth in this Article I.

**II.
VOTING INSTRUCTIONS**

The Amended Bank Plan divides the Claims of Holders and Equity Interests into four (4) classes, including sub-classes. Only classes of Holders with claims or interests impaired under the Amended Bank Plan are entitled to vote on a plan. Generally, and subject to the specific provisions of the Bankruptcy Code, this includes Holders whose Claims or Equity Interests, under the Amended Bank Plan, may be modified in terms of principal, interest, length of time for payment, or a combination of the above.

A. Summary of Classified Claims and Interest.

Class	Status	Voting Rights
Class 1 (Secured Claims)	Impaired	Entitled to vote
Class 2 (General Unsecured, Non-Insider Claims)	Impaired	Entitled to vote.
Class 3 (Insider Claims)	Impaired	Entitled to vote
Class 4 (Equity Interests)	Impaired	Not entitled to vote

B. Impaired Voting Classes

Claims in Class 1, Class 2 and Class 3 are impaired under the Amended Bank Plan, and therefore, Holders of Class 1, Class 2 and Class 3 Allowed Claims are entitled to vote to accept or reject the Amended Bank Plan. Bank of America shall be entitled to vote the full amount of its Class 1 Bank Secured Claim with respect to the Amended Bank Plan. Bank of America, as the proponent of the Amended Bank Plan, is deemed to have voted the full amount of its Bank Secured Claim for the Amended Bank Plan. Class 2 Allowed General Unsecured, Non-Insider Claims are impaired under the Amended Bank Plan, and therefore, Holders of Class 2 Allowed General Unsecured, Non-Insider Claims are entitled to vote to accept or reject the Amended Bank Plan. Class 3 Claims are impaired under the Amended Bank Plan, and therefore, Holders of Class 3 Allowed Claims are entitled to vote to accept or reject the Amended Bank Plan.

C. Impaired Non-Voting Class

Interests in Class 4 are deemed to have rejected the Amended Bank Plan by virtue of Bankruptcy Code section 1126(g) and are not entitled to vote to accept or reject the Amended Bank Plan.

D. Voting

Bank of America may vote on acceptance or rejection by completing, dating and signing the ballot, after the Court approves this Amended Bank Disclosure Statement, and returning it to the Clerk of the Bankruptcy Court at the following address:

CLERK OF THE BANKRUPTCY COURT
CHARLES JONAS FEDERAL BUILDING
401 WEST TRADE STREET, ROOM 111
CHARLOTTE, NC 28202

IN ORDER FOR THE BALLOT BE COUNTED, THE CLERK OF THE BANKRUPTCY COURT MUST RECEIVE THE BALLOT INDICATING ACCEPTANCE OR REJECTION OF THE AMENDED BANK PLAN PRIOR TO THE VOTING DEADLINE WHICH IS _____ P.M., EASTERN TIME, ON _____.

III.

KEY TERMS OF THE AMENDED BANK PLAN

THE FOLLOWING SECTIONS SUMMARIZE CERTAIN KEY INFORMATION CONTAINED IN THE AMENDED BANK PLAN. THIS SUMMARY REFERS TO, AND IS QUALIFIED IN ITS ENTIRETY BY, REFERENCE TO THE AMENDED BANK PLAN. THE TERMS OF THE AMENDED BANK PLAN WILL GOVERN IN THE EVENT ANY INCONSISTENCY ARISES BETWEEN THIS SUMMARY AND THE AMENDED BANK PLAN.

THE COURT HAS NOT YET CONFIRMED THE AMENDED BANK PLAN DESCRIBED IN THIS AMENDED BANK DISCLOSURE STATEMENT. IN OTHER WORDS, THE TERMS OF THE AMENDED BANK PLAN DO NOT YET BIND ANY PERSON OR ENTITY. IF THE BANKRUPTCY COURT DOES CONFIRM THE AMENDED BANK PLAN, HOWEVER, THEN IT WILL BIND ALL CLAIM AND EQUITY INTEREST HOLDERS.

A. Treatment of Claims

Under the Amended Bank Plan, Claims against and Equity Interests in Debtor are divided into Classes. Certain unclassified Claims, including Administrative Claims and Priority Tax Claims, will receive payment in Cash either on the Effective Date, or as promptly thereafter as each such Claims are liquidated but no later than six (6) months from the Effective Date, or in installments over time as permitted by the Bankruptcy Code or as agreed with the Holders of such Claims. All other Claims and all Interests are classified into Classes and will receive the distributions and recoveries (if any) described in the Amended Bank Plan.

B. Analysis of Treatment of Claims

After consideration of the effects that a chapter 7 liquidation would have on the ultimate proceeds available for distribution to creditors, including: (a) the increased costs and expenses of a liquidation under chapter 7 arising from fees payable to a trustee in bankruptcy and professional advisors to such trustee; (b) the erosion in value of assets in a chapter 7 case in the context of the expeditious liquidation required under chapter 7 and the “forced sale” atmosphere that would prevail; and (c) substantial increases in claims which would be satisfied on a priority basis, **BANK OF AMERICA HAS DETERMINED THAT CONFIRMATION OF THE AMENDED BANK PLAN WILL PROVIDE EACH HOLDER WITH A RECOVERY THAT IS**

NOT LESS THAN IT WOULD RECEIVE PURSUANT TO A LIQUIDATION OF DEBTOR UNDER CHAPTER 7 OF THE BANKRUPTCY CODE.

The Amended Bank Plan, pursuant to Bank of America’s agreement to make the Bank Carve Out Payments and to permit the payment on certain Claims from Cash Collateral, will provide all Holders of Allowed Claims against Debtor the maximum potential amount of recovery. Further, under the Amended Bank Plan, irrespective of the actual value of the Real Property or the amount of Net Sale Proceeds, Holders of Allowed Other Secured Claims and Allowed General Unsecured, Non-Insider Claims will receive 100% distributions from the Bank Carve Out Payments. Bank of America urges Holders to carefully consider this analysis in deciding how they cast their votes with respect to the Plans.

IV.
GENERAL INFORMATION

A. Overview of Chapter 11.

Chapter 11 is the principal commercial or business chapter of the Bankruptcy Code. Chapter 11 authorizes the liquidation or reorganization of a debtor and also requires any distributions to stakeholders promote equality of treatment for similarly situated creditors and similarly situated equity interest holders.

Commencing a chapter 11 case creates an estate that comprises all of the legal and equitable interests of the debtor as of the filing date. The Bankruptcy Code provides that the debtor may continue to operate its business and remain in possession of its property as a “debtor-in-possession.” The principal objective of a chapter 11 case is to consummate a Chapter 11 plan. A Chapter 11 plan sets forth the means for satisfying claims against and interests in a debtor. Confirmation of a Chapter 11 plan by a bankruptcy court binds a debtor, any issuer of securities thereunder, any person acquiring property under the plan and any creditor or equity interest holder of that debtor to the terms of the plan.

In order to solicit acceptances of a proposed plan, however, Bankruptcy Code section 1125 requires a debtor and any other plan proponents to transmit to a holder of a claim or interest with respect to such claim or interest the plan or a summary of the plan, and a written disclosure statement approved, after notice and a hearing, by the bankruptcy court as containing adequate information. This Amended Bank Disclosure Statement is intended to comply with Bankruptcy Code section 1125.

B. Debtor’s History.

Bank of America understands that Debtor disagrees with certain of the facts and contentions set forth in this section. For a recitation of the background and facts from Debtor’s perspective, please consult the Debtor Disclosure Statement.

1. General Information.

Debtor is a North Carolina limited liability company, with its principal office located at 2814 Marlowe Avenue, Charlotte, NC 28208 (“Headquarters”). Debtor’s primary, if not sole asset is the Real Property. In 2003, Debtor obtained the Loan from Bank of America, pursuant to which Debtor acquired certain properties constituting the Real Property. After failing to sell some of the condominium units comprising a portion of the Real Property, Debtor converted the remaining, unsold condominiums into rental units.

2. Debtor's Business and Operations.

At this time, Debtor, through a management contract with Insider Laurance Realty, operates the Real Property and is subject to various leases with residential tenants of the Real Property. Under the Amended Bank Plan, Laurance Realty will not be retained to manage Debtor's operations, and Debtor will assume the existing residential leases, meaning that the income-generating portions of the Real Property will continue to operate in substantially the same manner as it did prior to the Petition Date. Except for Executory Contracts between Debtor and Insiders like Laurance Realty and employees of Debtor, Debtor is also expected to assume some or all of Debtor's Executory Contracts with those parties that provide services relating to the Real Property.

C. **Capital Structure and Assets.**

Debtor's primary debt obligations comprise, in order of priority: Bank of America's Secured Claim and claims from Insiders and trade vendors resulting from Debtor's pre-Petition Date operation of the Real Property. As more fully described below, Debtor is subject to the following debt obligations as of the Petition Date:

1. Bank of America's Secured Claim.

Debtor initially obtained the Loan from LaSalle, the predecessor to Bank of America, to finance the acquisition of certain portions comprising the Real Property and the conversion of certain unsold condominium units into apartments for rent. The Loan is evidenced by, *inter alia*, (a) the Loan Agreement, dated as of June 1, 2003, as modified by (i) that certain Modification Agreement, dated June 1, 2006, (ii) that certain Second Modification Agreement, dated September 1, 2006, (iii) that certain Third Modification Agreement, dated December 1, 2006, (iv) that certain Modification Agreement and Partial Release Deed, dated January 29, 2007, (v) that certain Fifth Modification Agreement, dated November 26, 2007, and (vi) that certain Sixth Modification Agreement, dated February 22, 2010; (b) a Mortgage Note, dated June 1, 2003, in the original principal amount of \$6.25 million (the "Note"); (c) a Deed of Trust, dated June 1, 2003 and recorded with the Public Registry of Mecklenburg County, North Carolina on November 14, 2003 in Instrument/Book No. 15473 Page No. 573 and ends with Page No. 607 (the "Deed of Trust"); and (d) an Assignment of Rents and Leases, dated June 1, 2003 and recorded with the Public Registry of Mecklenburg County, North Carolina on November 14, 2003 in Instrument/Book No. 15473 Page No. 607 and ends with Page No. 619 (the "Assignment of Rents"). Pursuant to the Deed of Trust and the Assignment of Rents, the Loan is secured, in part, by a first mortgage and assignment of rents and leases on the Real Property. Bank of America possesses security interests and liens in and against substantially all of the assets of Debtor, including a lien on future rents (the "Prepetition Collateral").

The Loan matured on April 1, 2010, at which time Debtor defaulted on its obligations to repay the Loan. Prior to Bank of America's foreclosure of the Real Property, on the Petition Date, Debtor commenced this bankruptcy proceeding. Debtor owes Bank of America \$5,196,510.34 in outstanding principal attributable to the Loan, \$894,999.57 in accrued interest and default interest, and \$392,470.10 in legal fees and costs, each of which was compute through and until January 1, 2014 (collectively, the "Obligations"). Debtor has previously acknowledged the validity of the Obligations and the security interests and liens in and against the pre-petition Collateral securing the Obligations.

To the extent the Bankruptcy Court concludes that Bank of America is oversecured (i.e., the value of the Real Property is greater than the aggregate amount of Bank of America's debt), then Bank of America is entitled to receive, in full satisfaction of its secured claim, (a) post-petition interest, at the default rate, and (b) its legal fees and costs. Under the Bank Amended Plan, and to maximize returns to unsecured creditors, Bank

of America has agreed to cap its secured claim, for distribution purposes at \$5.9 million plus the Bank Carve Out Payments (if necessary).

2. Other Prepetition Obligations.

Aside from approximately \$2,581,197.34 in general unsecured claims outstanding as of the Petition Date (based on Debtor's bankruptcy schedules and filed proofs of claim, and most of which have been classified as Class 3 Insider Claims under the Amended Bank Plan), unliquidated contract rejection damages, and any known or unknown claims arising from litigation proceedings and any other unknown claims, Bank of America does not believe that Debtor has incurred any other significant debt.

A substantial portion of the general unsecured claims against Debtor consist of the Insider Claims. The Insider Claims include: Laurance Freed (Claim No. 20), DDL, LLC (Claim No. 21), CF Palwaukee, LLC (Debtor Petition, Schedule F), Donald James (Debtor Petition, Schedule F), Laurance Realty (Debtor Petition, Schedule F), and certain employees subject to that certain Weyland Apartments Stay Incentive Compensation Plan, effective December 20, 2007. The claim of Laurance Freed relates to a "guaranty fee" owed by Debtor to Laurance Freed for his guaranty of Debtor's obligations under the Loan Agreement and related loan documents. The claim of DDL, LLC against Debtor relates to a promissory note made by Debtor in favor of DDL, LLC that has matured but remains unpaid. Laurance Freed and DDL, LLC were guarantors of an unrelated loan made by Bank of America to an entity affiliated with or owned in part by Laurance Freed and DDL, LLC. After obtaining judgments on those guaranties, Bank of America initiated collection efforts against DDL, LLC and Laurance Freed, resulting in assignments to Bank of America of the claims held by them against Debtor. Although Bank of America is not an Insider, these two Claims are classified as Class 3 Insider Claims under the Amended Bank Plan.

3. Summary of Debtor's Assets.

Substantially all of Debtor's assets are subject to Bank of America's security interests. These assets include: (1) the Real Property; (2) bank accounts, cash and cash equivalents reported by Debtor to total \$802,267.43 in its November 2013 monthly operating report [Dkt. No. 329]; (3) accounts, accounts receivable, lease and contract rights to payment; (4) leases of residential units at the Real Property to Debtor's tenants; (5) equipment and furniture; and (6) certain general intangibles and other rights to payment. Other than (1) and (2), the remaining assets of Debtor are not expected to have significant value.

For purposes of evaluating the Plans, Debtor and Bank of America do not agree on the value of the Real Property. With respect to the valuation of the Real Property, Bank of America has received (a) an appraisal indicating an aggregate market value of \$7,842,000.00 and (b) a broker opinion of value indicating an aggregate market value of \$5,015,000.00. Bank of America believes the value of the Real Property falls somewhere between \$5,015,000 and \$7,842,000. The Bankruptcy Court has scheduled an evidentiary hearing on valuation for _____, 2014. At that time, the Bankruptcy Court shall determine the valuation of the Real Property as of the date of such hearing.

D. Equity Structure and Management.

1. Ownership of Debtor.

The following individuals hold the Equity Interests (Debtor is member-owned) in Debtor: (1) A. Bruce Parker: 27.5%; (2) DDL Investors, LLC: 33.229%; (3) David LaFave: 12.083%; (4) David L. Kirshenbaum Revocable Trust dated February 29, 1996, David L. Kirshenbaum, trustee: 6.042%; Thomas H. Fraerman: 3.021%; and (3) Donald R. James: 18.125%. Donald James is the manager of Debtor. Laurance Realty

Associates, LLC, an entity owned by affiliates of Debtor, DDL Investors, LLC, David LaFave and Donald James, performs the day-to-day management of the Real Property pursuant to an agreement dated November 30, 1998.

2. Management and Employees.

To manage the Real Property, Debtor employs affiliate Laurance Realty Associates, LLC as the property manager and pays Laurance Realty Associates, LLC 5% of Debtor's gross revenues per year. Debtor's payroll expenses total approximately \$300,000.00 per year.

Bank of America recognizes that Debtor may disagree with certain of the contentions contained in this Article IV.

V.

**RECOMMENDATION OF BANK OF AMERICA FOR
CONFIRMATION OF THE AMENDED BANK PLAN**

Bank of America believes that the Amended Bank Plan is in the best interests of all Holders of Claims, as evidenced by, *inter alia*, (a) Bank of America's willingness to release and waive substantial amounts of its Allowed Secured Claim, (b) Bank of America's willingness to make the Bank Carve Out Payments to pay all Allowed Other Secured Claims and Allowed General Unsecured, Non-Insider Claims in full, and (c) Bank of America's willingness to permit Debtor to utilize Cash Collateral to make 100% Distributions to Holders of Allowed Administrative Claims and Priority Tax Claims. Any alternative other than confirmation of the Amended Bank Plan could result in extensive delays and increased administrative expenses resulting in smaller distributions to the Holders of Claims.

BANK OF AMERICA THEREFORE RECOMMENDS THAT ALL HOLDERS OF CLAIMS WHOSE VOTES ARE BEING SOLICITED, TIMELY SUBMIT BALLOTS VOTING FOR THE AMENDED BANK PLAN.

Bank of America understands that Debtor disagrees with these contentions and Bank of America's recommendation.

VI.

SUMMARY OF AMENDED BANK PLAN.

A. **Purpose and Effect of the Amended Bank Plan**

The Amended Bank Plan's primary purpose is to, *inter alia*, (1) effectuate the Sale of the Real Property in exchange for funds to be utilized in making Distributions to Holders, (2) pay all Holders of all Allowed Administrative Claims, Professional Fee Claims, and Priority Tax Claims, in full from Debtor's Cash Collateral, upon the Effective Date or soon thereafter, (3) pay all Holders of Class 2 General Unsecured, Non-Insider Claims, in full pursuant to the Bank Carve Out Payments, upon the Effective Date or soon thereafter, (4) pay Debtor's other various classes of creditors, including Bank of America with respect to its Allowed Bank Secured Claim, from the proceeds of the Sale and Debtor's remaining Cash on hand, and (5) waive certain amounts of the Allowed Bank Secured Claim so that other Holders will receive the best possible treatment with respect to their Claims.

B. Summary of Classified Claims and Equity Interest

1. Unclassified Claims.

(a) Administrative Claims Bar Date.

All requests for payment of Administrative Claims and applications for payment of Professional Fee Claims shall be filed with the Bankruptcy Court and served upon Bank of America within fourteen days of the Confirmation Hearing or by such earlier deadline as may apply to such Administrative Claim pursuant to an earlier order of the Bankruptcy Court. Except as provided in the Amended Bank Plan, any Administrative Claim or Professional Fee Claim for which an application or request for payment is not filed within such time period shall be discharged and forever barred.

(b) Treatment of Administrative Claims, including Professional Fee Claims.

Allowed Administrative Claims and Professional Fee Claims incurred through the Confirmation Date shall be completely and fully satisfied by payment in Cash from Debtor after the Effective Date, with any such payment to be made on the Effective Date or the Allowance Date except as provided otherwise in the Amended Bank Plan and to the extent that any Claimant holding an Allowed Administrative Claim or Allowed Professional Fee Claim agrees to treatment different than that proposed under the Amended Bank Plan.

(c) Treatment of Priority Tax Claims.

Allowed Priority Tax Claims shall be completely and fully satisfied by payment of Cash from Debtor after the Effective Date, with any such payment to be made on the Effective Date or the Allowance Date.

2. Provisions For Treatment Of Allowed Claims And Interests; Voting.

Class	Status	Voting Rights
Class 1 (Secured Claims)	Impaired	Entitled to vote
Class 2 (General Unsecured, Non-Insider Claims)	Impaired	Entitled to vote
Class 3 (Insider Claims)	Impaired	Entitled to vote
Class 4 (Equity Interests)	Impaired	Not entitled to vote

The timing and procedures for all distributions specified in this section are governed by Articles 4, 5, 9 and 10 of the Amended Bank Plan. The categories of Claims and Interests listed below classify Claims and Interests for all purposes, including voting, confirmation and distribution, pursuant hereto and pursuant to Bankruptcy Code sections 1122 and 1123(a)(1).

(a) Class 1 - Allowed Secured Claims.

Allowed Secured Claims in Class 1 shall receive the following treatment:

- *Bank Secured Claim.* On the Effective Date, Bank of America shall use the Cash Collateral Payment to pay, in full, all Allowed Other Secured Claims and Allowed General Unsecured, Non-Insider Claims. Subject to the terms of the Amended Bank Plan, Bank of America shall be

deemed to have the Allowed Bank Secured Claim, which shall be treated under the Amended Bank Plan as follows. Upon payment, from Net Sale Proceeds, of \$5,900,000.00 from the Net Sale Proceeds, Bank of America's Allowed Secured Claim shall be deemed satisfied. Further, should the Net Sale Proceeds and the Cash Collateral in the possession of Trustee on the Closing Date be insufficient to satisfy the \$5,900,000.00 Bank Secured Claim, then the remaining portion of the Bank Secured Claim shall be deemed satisfied.

- *Other Secured Claims.* Allowed Other Secured Claims, including any Allowed Mechanic's Lien Claims, shall receive payment in Cash in accordance with applicable state law Lien priorities from Bank of America on or before the later of (a) 30 days after the Effective Date or as soon as reasonably practicable thereafter, (b) the Allowance Date of such Claims, and/or (c) the date that such Claim would be paid in accordance with any terms and conditions of any agreements or understandings relating thereto between Debtor and the Holder of such Claim.

Claims in Class 1 are Impaired under the Amended Bank Plan. Therefore, Claimants within Class 1 are entitled to vote to accept or reject the Amended Bank Plan. Bank of America shall be entitled to vote the full amount of the Bank Secured Claim with respect to the Amended Bank Plan. Bank of America, as the proponent of the Amended Bank Plan, is deemed to have voted for the Amended Bank Plan.

(b) Class 2 - Allowed General Unsecured, Non-Insider Claims.

Each Allowed General Unsecured, Non-Insider Claim in Class 2 shall receive, in full satisfaction, settlement, release and discharge of and in exchange for its Claim, payment in full on such Claim, in Cash, from Bank of America on the later of one month after the Effective Date or the Allowance Date for such Claim (each a "Bank Carve Out Payment" and collectively, the "Bank Carve Out Payments"). Holders of Insider Claims, including those Claims relating to or held by Debtor's employees and Insiders and those claims held by Bank of America as successor to certain Insiders, are not entitled to any Bank Carve Out Payments.

Pursuant to Bankruptcy Code section 1126(f), Holders of Allowed General Unsecured, Non-Insider Claims within Class 2 are Impaired, and therefore are entitled to vote to accept or reject the Amended Bank Plan.

(c) Class 3 - Insider Claims.

Each Holder of an Allowed Insider Claim will receive, in full satisfaction, settlement, release and discharge of and in exchange for its Claim, its Pro Rata Share of the Unsecured Cash Distribution in Cash on the Closing Date or as soon thereafter as reasonably practicable. Should the distribution of the Pro Rata Shares be insufficient to satisfy the Allowed Insider Claims in full, Holders of the Allowed Insider Claims will not be entitled to any Bank Carve Out Payments.

Pursuant to Bankruptcy Code section 1126(f), Holders of Allowed Insider Claims within Class 3 are Impaired, and therefore are entitled to vote to accept or reject the Amended Bank Plan.

(d) Class 4 - Interests in Debtor.

Holders of Allowed Interests shall receive no distribution under the Amended Bank Plan and shall retain no property whatsoever under the Amended Bank Plan. Holders of Class 4 Claims are deemed to have rejected the Amended Bank Plan by virtue of Bankruptcy Code section 1126(g) and are not entitled to vote to accept or reject the Amended Bank Plan.

C. Executory Contracts.

Executory Contracts entered into by Debtor prior to the Petition Date, shall be treated as follows:

1. Treatment of Executory Contracts and Unexpired Leases To Be Assumed And Assigned To Trustee.

(a) Assumption and Cure of Executory Contracts and Unexpired Leases.

On the Effective Date, all executory contracts and unexpired leases of Debtor identified on a Schedule set forth in the Amended Bank Plan Supplement (as it may be amended prior to the Confirmation Date, the "Contract/Lease Schedule"), in form and substance reasonably acceptable to Bank of America, are hereby deemed assumed by Debtor, in accordance with the provisions and requirements of Bankruptcy Code sections 365 and 1123. Each executory contract and unexpired lease assumed and/or assigned pursuant to Article 3 of the Amended Bank Plan (or pursuant to other Bankruptcy Court order) shall remain in full force and effect and be fully enforceable in accordance with its terms, except as modified by the provisions of the Amended Bank Plan, or any order of the Bankruptcy Court authorizing and providing for its assumption or applicable law.

(b) Cure of Defaults of Assumed Executory Contracts and Unexpired Leases.

Any monetary cure amounts by which each executory contract and unexpired lease to be assumed pursuant to the Amended Bank Plan is in default shall be satisfied, pursuant to Bankruptcy Code section 365(b)(1), by payment of the cure amount in Cash on the later of (a) the Effective Date (or as soon as practicable thereafter as part of the Bank Carve Out Payments), (b) as due in the ordinary course of business or (c) on such other terms as Property Manager and the non-Debtor counterparties to such executory contracts or unexpired leases may otherwise agree. In the event of a dispute regarding: (x) the amount of any cure payments, (y) the ability of Property Manager, on behalf of Debtor, to provide "adequate assurance of future performance" (within the meaning of Bankruptcy Code section 365) under the contract or lease to be assumed or assigned, or (z) any other matter pertaining to assumption, the cure payments required by Bankruptcy Code section 365(b)(1) shall be made following the entry of a Final Order resolving the dispute and approving the assumption.

2. Rejection of Other Executory Contracts And Unexpired Leases.

As of the Effective Date, Debtor will reject (a) the management contract between Debtor and Laurance Realty, and, (b) to the extent Bank of America determines that it constitutes an executory contract, the Weyland Apartments Stay Incentive Compensation Plan, dated December 20, 2007. Claims relating to Debtor's rejection of such contracts, if any, shall be classified as Class 3 Insider Claims under the Amended Bank Plan, and therefore, are not subject to the Bank Carve Out Payments provided in the Amended Bank Plan. All Executory Contracts not otherwise assumed, assumed and assigned, or rejected pursuant to Bankruptcy Code section 365 prior to the Effective Date shall be deemed rejected as of the Effective Date.

3. Approval of Assumption and Assignment or Rejection.

Entry of the Confirmation Order shall constitute the approval, pursuant to Bankruptcy Code sections 363(b), (f) and (m) and 365(a) and (f), of the assumption and assignment or rejection of all Executory Contracts.

4. Rejection Claims.

Except as the Bankruptcy Court establishes in the Rejection Order, or unless the Bankruptcy Court, the Bankruptcy Code or the Bankruptcy Rules establish an earlier deadline with regard to the rejection of particular

Executory Contracts, any Claims arising out of the rejection of Executory Contracts pursuant to Sections 3.1 and 3.2 of the Amended Bank Plan must be filed with the Bankruptcy Court and served upon Debtor and Bank of America no later than thirty days after entry of the Confirmation Order. Any Claims not filed within the time set forth in the Rejection Order or as provided above, are, or will be, forever barred and will not receive any distributions under the Amended Bank Plan. Except as provided in Section 3.2 of the Amended Bank Plan, all Claims arising from the rejection of an Executory Contract shall be treated as a Class 2 General Unsecured, Non-Insider Claim.

D. Means For Execution Of The Amended Bank Plan.

1. The Effective Date.

The Effective Date shall be the business day designated in writing by Bank of America on which: (a) the completion of the transactions required and contemplated under Sections 4.2 and 8.2 of the Amended Bank Plan shall have taken place; and (b) each condition to the occurrence of the Effective Date has been satisfied or waived by the applicable party pursuant to Section 8.3 of the Amended Bank Plan.

2. Transactions at or Before Effective Date.

The following shall occur after the Confirmation Date, but at or before the Effective Date and shall be effective as of the Effective Date.

(a) Continuation of Business Operations.

As provided in the Amended Bank Plan, and until the earlier of (a) the consummation of the Sale, Debtor shall continue the business operations of Debtor, which shall be the source of funding to consummate the Amended Bank Plan and to make the distributions to Holders of Allowed Claims as provided in the Amended Bank Plan. The revenues generated from the Real Property, together with Cash held in the Debtor Cash Account, are expected to be sufficient to fund the distributions contemplated by the Amended Bank Plan.

(b) Use of Existing Cash Collateral.

After the Confirmation Date, but on or before the Effective Date, Debtor will transfer the Cash Collateral Payment to Bank of America. Any remaining Cash Collateral in the possession or control of Debtor shall be used to fund *pari passu* distributions to Holders of Class 3, Allowed Insider Claims.

(c) Appointment of Property Manager.

In its sole discretion, Bank of America, in consultation with Debtor, may appoint a property manager (the "Property Manager") for the purpose of continuing the business operations of Debtor and maintaining and operating the Property until the Sale Closing. Subject to the oversight of Bank of America and Debtor, Property Manager shall have the rights and powers set forth in a management agreement in a form agreeable to Debtor and Bank of America in their reasonable discretion (the "Management Agreement"). Property Manager shall be governed in all things by the terms of the Management Agreement and the Bank Amended Plan. Property Manager shall operate and manage the Property, including the Real Property. Property Manager shall be authorized, empowered and directed to take all actions necessary to comply with the Bank Amended Plan and the Management Agreement and exercise and fulfill the duties and obligations arising thereunder. Further, Bank of America shall have the right appoint Property Manager to act as disbursing agent for purposes of fulfilling Debtor's obligations to make distributions pursuant to the terms of the Bank Amended Plan. To the extent appointed and until the Sale Closing, Property Manager's compensation shall be as provided in the

Management Agreement. Compensation of Property Manager and the costs and expenses of Property Manager (including, without limitation, professional fees and expenses) shall be paid from Cash Collateral on hand, Property Manager shall pay, without further order, notice or application to the Bankruptcy Court, the reasonable fees and expenses of Property Manager and Property Manager's professionals, as necessary to discharge Property Manager's duties under the Bank Amended Plan, subject only to such notice procedures as set forth in the Management Agreement.

3. Sale and Sale Closing.

The Sale shall occur as set forth herein and in the Sale Bidding Procedures (attached to this Amended Bank Disclosure Statement as **Exhibit B**), and shall be effective upon the Sale Closing. At the Confirmation Hearing, Bank of America will seek affirmation by the Bankruptcy Court of the retention of the Broker, approval of the Sale Bidding Procedures, and confirmation of the Amended Bank Plan.

(a) The Sale shall be conducted within one hundred twenty (120) days of the Confirmation Date and shall be conducted in accordance to, and subject to, the bidding instructions attached in Exhibit B hereto. The Net Sale Proceeds from the Sale shall be to pay, in full, the Bank Secured Claim, with the Holders of Allowed Insider Claims receiving their Pro Rata Share of any remaining Net Sale Proceeds after payment in full of the Bank Adjusted Secured Claim.

(b) The Sale shall be (i) deemed made pursuant to the Amended Bank Plan and authorized by the Confirmation Order, (ii) free and clear of all Liens, Claims, encumbrances and other Interests pursuant to Bankruptcy Code section 363(f) and 1123(a)(5)(D), with all such Liens, Claims, encumbrances and other interests attaching to the Net Sale Proceeds of such sales subject to the terms and conditions of the Amended Bank Plan; and (iii) deemed made pursuant to Bankruptcy Code section 1146(a) and therefore not subject to any a stamp or similar taxes under applicable non-bankruptcy law.

(c) In conjunction with the Sale Closing and as provided in the Sale Bidding Procedures and the Amended Bank Plan, the Prevailing Bidder (as defined in the Sale Bidding Procedures) shall pay the Prevailing Bid price in immediately available funds by wire transfer to Debtor in conjunction with the sale of the Property as provided in the Sale Bidding Procedures.

(d) After the Sale Closing, and on or before the Effective Date, pursuant to Debtor's retention of the Bank Carve Out Payments from Bank of America, Debtor will use the Bank Carve Out Payments to make 100% Distributions to Holders of all Allowed Class 2 Claims in accordance with the terms contained in the Sale Bidding Procedures and the Amended Bank Plan.

Upon the completion of the Sale, the proceeds of the Sale and any remaining Cash Collateral shall be distributed consistent with the treatment provided in this Amended Bank Plan to the Holders of Allowed Claims. Any such distributions shall be in lieu of any other distribution.

4. Status of Existing Liens.

Unless otherwise provided in the Amended Bank Plan, or by Order of the Bankruptcy Court, on the Effective Date, all existing liens held by any Class or Classes on Estate Assets shall retain the same validity, priority and extent that existed on the Petition Date. Bankruptcy Code section 552 shall not apply to limit any of the liens and security interests. All other liens and encumbrances shall be deemed automatically canceled, terminated and of no further force or effect without further act or action under any applicable agreement, law, regulation, order, or rule.

5. Execution of Documents and Corporate Action.

As applicable pursuant to Article 4 of the Amended Bank Plan, Debtor, its corporate manager, and its members will (a) perform all actions reasonably contemplated with respect to implementation of the Amended Bank Plan and (b) be designated the authorized representative to execute on behalf of Debtor, in a representative capacity and not individually, any documents or instruments to be executed by Debtor on and after the Effective Date in order to consummate the Amended Bank Plan. Debtor shall be authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other agreements or documents and to take such actions as may be necessary or appropriate, for and on behalf of Debtor, to effectuate and further evidence the terms and conditions of the Amended Bank Plan and any notes or securities issued pursuant to the Amended Bank Plan.

6. Good Faith.

Confirmation of the Amended Bank Plan shall constitute a finding that: (a) the Amended Bank Plan has been proposed in good faith and in compliance with applicable provisions of the Bankruptcy Code, and (b) all solicitations of acceptances or rejections of the Amended Bank Plan have been in good faith and in compliance with applicable provisions of the Bankruptcy Code.

7. Waiver of Federal Rule of Bankruptcy Procedure 3020(e).

The Confirmation Order shall include (a) a finding that Fed. R. Bankr. P. 3020(e) shall not apply to the Confirmation Order and (b) authorization for the consummation of the Amended Bank Plan and the transactions contemplated by the Amended Bank Plan immediately after entry of the Confirmation Order.

E. General Provisions Governing Distributions By Debtor Prior To Effective Date.

1. Applicability of Amended Bank Plan Article 5.

Article 5 of the Amended Bank Plan shall only apply to Distributions to Claimants made by Debtor prior to the Effective Date.

2. Place and Manner of Payments or Distributions.

(a) Should Debtor make Distributions to the holders of Allowed Claims prior to the Effective Date, such Distributions shall be delivered by either: (a) mail to the Claimant at the address of such Claimant as listed in the Schedules, or listed on any Proof of Claim filed by the Claimant; or (b) by mail to such other address or by wire transfer to the destination that such Claimant shall have specified for payment purposes in a written notice to Debtor and filed with the Bankruptcy Court.

(b) Unless otherwise required by Final Order of the Bankruptcy Court or applicable bankruptcy law, interest shall not accrue or be paid after the Filing Date on any Claims, and no holder of a Claim shall be entitled to interest accruing on or after the Filing Date on any Claim.

(c) Whenever any payment of a fraction of a cent would otherwise be called for, the actual payment shall reflect a rounding of such fraction to the nearest whole cent. No interim Distribution will be made on account of any Allowed Claim if the amount of such Distribution is less than \$20.00. On the date of the last Distribution under the Amended Bank Plan, Debtor shall (i) aggregate the amount of all Distributions that would have been made on account of an Allowed Claim but for this de minimis provision and (ii) make a Distribution on account of such Allowed Claim in accordance with the Amended Bank Plan.

(d) Subject to Bankruptcy Code section 553, in the event Debtor has a Claim of any nature whatsoever against a holder of a Claim, Debtor may, but is not required to, set off or recoup Debtor's Claim against such Claim (and any Distributions or other rights to receive property arising out of such Claim under the Amended Bank Plan). Neither the failure to set off nor the allowance of any Claim under the Amended Bank Plan shall constitute a waiver or release of any Claim of Debtor.

(e) In making Distributions under the Amended Bank Plan, Debtor may rely upon the accuracy of the claims register maintained by the Bankruptcy Court or its designee as claims agent in the Cases, as modified by any Final Order of the Bankruptcy Court disallowing Claims in whole or in part.

3. Undeliverable Distributions.

If a Distribution to any Claimant is returned as undeliverable, Debtor shall use reasonable efforts to determine such Claimant's current address and no further Distributions shall be made to such Claimant until a current address is obtained by Debtor (after the Effective Date).

4. Treatment of Unclaimed or Undeliverable Distributions.

If any Claimant entitled to Distributions from Debtor cannot be located prior to the Effective Date, then, subject to the provisions of Section 5.4 of the Amended Bank Plan, such Distribution shall be held in an interest-bearing account or fund maintained by Debtor (through Property Manager, if necessary) for purposes of holding such Distributions. Any Distribution that is unclaimed shall revert to Debtor after ninety days from the date the Distribution was sent to Claimant, shall be deemed to be part of the Estate Assets, transferred to the Debtor Cash Account, and shall be distributed to remaining Claimants in accordance with the terms of the Amended Bank Plan.

5. Compliance with Tax Requirements.

(a) Each Claimant shall have an affirmative duty to provide Debtor (if after the Effective Date) with its Federal Tax Identification Number. In lieu of backup withholding, Debtor may suspend Distribution to any Claimant that has not provided its Federal Tax Identification Number or Social Security Number, as the case may be. Any such Distributions that remain suspended as of the Effective Date shall be held in an interest-bearing account or fund maintained by Debtor (through Property Manager, if necessary) pending receipt by Debtor of such information if deemed necessary by Debtor.

(b) In compliance with Bankruptcy Code section 346, to the extent applicable, Debtor (through Property Manager, if necessary) shall comply with all withholding and reporting requirements imposed by federal, state or local taxing authorities in connection with making Distributions pursuant to the Amended Bank Plan and shall be authorized to take any and all action necessary and appropriate to comply with such requirements.

F. Effect of Confirmation; Discharge, Release And Extinguishment Of Liens, Claims, Interests, And Encumbrances.

1. No Discharge of Debtor.

As a Chapter 11 plan of liquidation, Debtor shall not be discharged under Bankruptcy Code section 1141 nor shall this Amended Bank Plan release or discharge claims against any other Person, including but not limited to guarantors of obligations of Debtor except as specifically provided otherwise in Article 6 of the Amended Bank Plan.

2. Releases in Favor of Bank of America.

ON THE EFFECTIVE DATE, IN CONSIDERATION OF THE AGREEMENT OF BANK OF AMERICA TO REDUCE AND/OR OTHERWISE SUBORDINATE ITS CLAIM(S) AND TO ALLOW THE USE OF BANK OF AMERICA'S CASH COLLATERAL TO PROVIDE 100% DISTRIBUTIONS TO HOLDERS OF ALLOWED UNSECURED, NON-INSIDER CLAIMS AND OTHER SECURED CLAIMS, BANK OF AMERICA AND EACH OF ITS DIRECTORS, EMPLOYEES, OFFICERS, PREDECESSORS, SUCCESSORS, ASSIGNS, AGENTS, ATTORNEYS, AND REPRESENTATIVES (collectively, the "Bank Releasees") SHALL BE RELEASED AND DISCHARGED OF ANY AND ALL CLAIMS, LIABILITIES, CAUSES OF ACTION, DEBTS, DAMAGES, OBLIGATIONS, COSTS, AND DEMANDS OF WHATEVER CHARACTER, NATURE, TYPE, OR DESCRIPTION, WHETHER KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, WHICH, THE DEBTOR MAY HAVE HAD, OR MAY NOW HAVE THAT RELATE IN ANY WAY TO THE DEBTOR, THE DEBTOR'S BANKRUPTCY CASE OR THE BANK SECURED CLAIM, EXCEPT FOR OBLIGATIONS EXPRESSLY CONTAINED IN THE AMENDED BANK PLAN; PROVIDED, HOWEVER, THAT NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FORGOING RELEASE, ANY OTHER SECTION OF THE AMENDED BANK PLAN OR ANY OF THE OTHER AMENDED BANK PLAN OR DISCLOSURE STATEMENT EXHIBITS, THIS RELEASE SHALL NOT RELEASE (X) ANY OBLIGATION OF BANK OF AMERICA UNDER THE AMENDED BANK PLAN OR THE AMENDED BANK PLAN OR DISCLOSURE STATEMENT EXHIBITS OR (Y) ACTS OR OMISSIONS THAT ARE THE RESULT OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

Bank of America believes the releases set forth in the Amended Bank Plan and in the Bank of America Release (which shall be filed as an Amended Plan Supplement by Bank of America) are reasonable and appropriate. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases set forth in Section 6.2 of the Amended Bank Plan and the Bank of America Release, which includes by reference each of the related provisions and definitions contained in the Amended Bank Plan, and further, shall constitute the Bankruptcy Court's finding that the releases set forth in Section 6.2 of the Amended Bank Plan and the Bank of America Release are: (a) in exchange for good and valuable consideration provided by the Bank Releasees, representing good faith settlement and compromise of the Claims released by Debtor; (b) in the best interests of Debtor and all Holders of Claims; (c) fair, equitable and reasonable; (d) approved after due notice and opportunity for hearing; and (e) a bar to Debtor or any other Person acting on behalf of it asserting any Claim released by the releases set forth in Section 6.2 of the Amended Bank Plan and the Bank of America Release against any of the Bank Releasees or their respective property.

6.2.3 Any action brought against any party receiving a release hereunder or under the Bank of America Release for any matter or thing related to the Chapter 11 Case or the Amended Bank Plan must be brought in Bankruptcy Court.

Bank of America recognizes that Debtor disagrees with and may oppose such relief.

3. Reservation of Rights.

Notwithstanding any other provision of the Amended Bank Plan to the contrary, the release provision and the injunction set forth in Section 6.2 of the Amended Bank Plan shall not serve to preclude Debtor, Property Manager on behalf of Debtor (if appointed), or Bank of America from enforcing any provision of the Amended Bank Plan, any Amended Bank Plan exhibit and/or the Confirmation Order.

For the avoidance of doubt, and without limiting or restricting any other provisions of the Amended Bank Plan, unless a Claim or Cause of Action against a Creditor or other Entity is expressly and specifically waived, relinquished, released, compromised or settled in the Amended Bank Plan or any Final Order, Debtor expressly reserves such claim or Cause of Action for adjudication or pursuit by Debtor after the Effective Date, 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 claims or Causes of Action upon or after the Confirmation Date or Effective Date of the Amended Bank Plan based on the Amended Bank Disclosure Statement, the Amended Bank Plan, the Confirmation Order or otherwise. Debtor expressly reserves the right to pursue or adopt any claims (and any defenses) or Causes of Action of Debtor, for or on behalf of the Creditors, not specifically and expressly waived, relinquished, released, compromised or settled in the Amended Bank Plan or any Final Order against any Entity, including, without limitation, the plaintiffs or codefendants in any lawsuits. Debtor shall be a representative of the Estate appointed for the purposes of pursuing any and all such claims and Causes of Action under Bankruptcy Code section 1123(b)(3)(B).

Any Entity to whom Debtor has incurred an obligation (whether on account of services, purchase or sale of goods, tort, breach of contract or otherwise), or who has received services from Debtor or a transfer of money or property of Debtor, or who has transacted business with Debtor, or leased equipment or property from Debtor, should assume that such obligation, transfer, or transaction may be reviewed by Debtor subsequent to the Effective Date and may, to the extent not theretofore specifically waived, relinquished, released, compromised or settled in the Amended Bank Plan or any Final Order, be the subject of an action or claim or demand after the Effective Date, whether or not (a) such Entity has filed a proof of claim against the Debtor in the Chapter 11 Case, (b) such Entity's proof of claim has been objected to, (c) such Entity's Claim was included in the Debtor's Schedules, or (d) such Entity's scheduled Claim has been objected to by the Debtor or has been identified by the Debtor as disputed, contingent, or unliquidated.

G. Injunction Against Enforcement Of Pre-Confirmation Debt.

1. Term of Certain Injunctions and Automatic Stay.

All of the injunctions and/or automatic stays provided for in or in connection with the Chapter 11 Case, whether pursuant to Bankruptcy Code sections 105(a), 362(a), or any other provision of the Bankruptcy Code or other applicable law, in existence immediately prior to Confirmation shall remain in full force and effect until the injunctions set forth in Section 7.2 of the Amended Bank Plan become effective, and thereafter if so provided by the Amended Bank Plan, the Confirmation Order, or by their own terms. In addition, on and after Confirmation, Bank of America or Debtor may seek such further orders as they may deem necessary to preserve the status quo during the time between Confirmation and the Effective Date.

2. Injunction Enjoining Certain Actions

Except as expressly provided in the Amended Bank Plan, at all times on and after the Effective Date, Debtor and all Persons who have been, are, or may be holders of Claims against or Interests in Debtor arising

prior to the Effective Date, shall be enjoined from taking any of the following actions against or affecting the Property:

- commencing, conducting or continuing in any manner, directly or indirectly any suit, action, or other proceeding of any kind arising before the Confirmation Date against Debtor, its Estate, or the Property (including, inter alia, all suits, actions, and proceedings that are pending as of the Effective Date, shall be deemed to be withdrawn or dismissed with prejudice) or the Real Property, including any suit, action or other proceeding which might affect the use or enjoyment of any Property;
- enforcing, levying, attaching, collecting, or otherwise recovering by any manner or means whether directly or indirectly any judgment, award, decree, or order against Debtor, its Estate, or the Property, including the Real Property, relating to any obligation which arose prior to the Effective Date;
- creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien or Encumbrance against Debtor, its Estate, or the Property, including the Real Property;
- asserting any right of subrogation, or recoupment of any kind, directly or indirectly against any obligation due Debtor, its Estate, or the Property, including the Real Property; and
- proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Amended Bank Plan.

This injunction shall become effective on the Effective Date and shall continue in effect at all times thereafter. Notwithstanding anything to the contrary contained in the Amended Bank Plan, all actions in the nature of those to be enjoined by this injunction shall be enjoined during the period between the Confirmation Date and the Effective Date.

H. Conditions To Effective Date.

1. Conditions to Confirmation.

Confirmation of the Amended Bank Plan shall not occur unless the Bankruptcy Court shall have made specific findings and/or conclusions of law, each of which shall be expressly set forth in the Confirmation Order, in a form acceptable to Bank of America, including findings and/or conclusions of law to the effect that the Amended Bank Plan satisfies each of the requirements for Confirmation contained in Bankruptcy Code section 1129, is the result of good faith and arm's length negotiations, and is otherwise fair, equitable, and in accordance with the Bankruptcy Code, the Bankruptcy Rules, and other federal or state law to the extent applicable.

2. Conditions to the Effective Date.

Notwithstanding any other provision of the Amended Bank Plan, the Amended Bank Plan or Disclosure Statement exhibits and/or the Confirmation Order, the Effective Date of the Amended Bank Plan shall not occur unless and until each of the following conditions has been satisfied or waived in accordance with Section 8.3 of the Amended Bank Plan:

- The Amended Bank Plan or Disclosure Statement exhibits necessary or appropriate to implement the Amended Bank Plan shall be acceptable to Bank of America and shall have been executed, delivered and, where applicable, filed with the appropriate governmental authorities; all conditions precedent to

the effectiveness of each of such Amended Bank Plan or Disclosure Statement exhibits shall have been satisfied or waived by the respective parties thereto; and the Amended Bank Plan or Disclosure Statement exhibits shall be in full force and effect.

- The Confirmation Order, and the Amended Bank Plan as confirmed pursuant to the Confirmation Order, shall be in a form and substance satisfactory to Bank of America.
- The Confirmation Order shall be entered by the Bankruptcy Court, shall have become a Final Order, and is not stayed.
- The Bankruptcy Court shall have made the statutorily required findings of fact and conclusions of law in connection with the confirmation of the Amended Bank Plan, each of which findings and conclusions shall be expressly set forth in the Confirmation Order or in findings of fact and conclusions of law entered in support of and contemporaneously with the entry of the Confirmation Order.
- Any federal, state, local and foreign governmental authorizations, consents and regulatory approvals, if any, required for the consummation of each of the transactions contemplated in the Amended Bank Plan before the Effective Date shall have been obtained and shall have become final and non-appealable and, with respect to any court proceeding relating thereto, been approved by a Final Order.
- All deliveries or payments required to be made pursuant to the Amended Bank Plan by the Effective Date shall have been made or waived by the party for whose benefit such delivery is intended. All authorizations, consent and regulatory approvals required, if any, in connection with the consummation of the Amended Bank Plan shall have been obtained, and all actions, documents, and agreements necessary to implement the Amended Bank Plan shall have been effected or executed.

3. Waiver of Conditions.

Each of the conditions set forth in Article 8 of the Amended Bank Plan may be waived in whole or in part by Bank of America. The failure of Bank of America to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each such right shall be deemed an ongoing right that may be asserted at any time.

4. Effect of Failure of Conditions; Order Denying Confirmation.

If an order denying confirmation of the Amended Bank Plan is entered by the Bankruptcy Court, then the Amended Bank Plan shall be null and void in all respects, and nothing contained in the Amended Bank Plan shall (a) constitute a waiver or release of any Claims against or Interests in Debtor, (b) prejudice in any manner the rights of the Holder of any Claim against, or Interest in, Debtor, (c) prejudice in any manner any right, remedy or Claim of Debtor, or (d) be deemed an admission against interest by Bank of America.

5. Confirmation of Plan Over Dissenting Class.

In the event at least one Impaired Class of Claims votes to accept the Amended Bank Plan (and at least one Impaired Class either votes to reject the Amended Bank Plan or is deemed to have rejected the Amended Bank Plan), Bank of America shall request that the Bankruptcy Court confirm the Amended Bank Plan under Bankruptcy Code section 1129(b).

6. Filing of Notice of Effective Date.

Within five (5) business days of the occurrence of the Effective Date, Bank of America shall file a notice of occurrence of the Effective Date reflecting (a) that the foregoing conditions to the occurrence of the Effective Date have been satisfied or waived by Bank of America and/or any other person whose consent or waiver is required, (b) the date of the Effective Date, and (c) acknowledging that the Effective Date has occurred on and as of such date.

7. Revocation of Confirmation Order or Withdrawal of Amended Bank Plan.

Bank of America may revoke or withdraw the Amended Bank Plan prior to the Confirmation Date by filing a Notice of Withdrawal of Amended Bank Plan in the record of this Chapter 11 Case. If the Amended Bank Plan is withdrawn prior to the Confirmation Date or if the Effective Date does not occur as set forth in the Amended Bank Plan, then the Amended Bank Plan shall be deemed withdrawn and the Confirmation Order (if any has been entered) shall be automatically revoked without the need for any action by any party in interest or the Bankruptcy Court. In such event, the Amended Bank Plan and the Confirmation Order shall be of no further force or effect and, (a) the Debtor and all holders of Claims and Interests shall be restored to the status quo ante as of the day immediately preceding the filing of the Amended Bank Plan, and (b) all of Debtor's respective obligations with respect to the Claims and Interests shall remain unchanged, all of the Debtor's rights and claims against all entities shall be fully preserved and nothing contained herein or in the Amended Bank Plan shall be deemed to constitute an admission or statement against interest or to constitute a waiver or release of any Claims by or against Bank of America or to prejudice in any manner the rights of Bank of America in any further proceedings involving Debtor, Bank of America or any other Persons.

I. **Provisions For The Resolution Of Objections To Proofs Of Claim.**

1. Right to Object to Claims.

Unless otherwise ordered by the Bankruptcy Court after notice and a hearing, Debtor, Bank of America or any other party in interest shall have the right to make and file objections to Proofs of Claim or other applications or motions for allowance and payment of Claims, for distribution purposes, at any time on or before thirty (30) calendar days after the later of (a) the Effective Date and (b) the date on which such Claim was filed with the Bankruptcy Court unless no Proof of Claim, application or motion is required to be filed pursuant to Bankruptcy Rule 3002, the Amended Bank Plan, or any order of the Bankruptcy Court; provided, however, that (i) the deadline may be extended by the Bankruptcy Court on motion by Debtor, Bank of America or any other party in interest, as applicable, and (ii) none of Debtor, Bank of America or any other party in interest may file an objection to any Claim Allowed by the Amended Bank Plan. In addition, unless otherwise ordered by the Bankruptcy Court after notice and a hearing, Debtor, Bank of America or any other party in interest shall have the right to make and file objections to Administrative Claims or to object to any Claim specified in the Schedules, at any time on or before thirty (30) calendar days after the later of (A) the Effective Date or (B) the date on which such Claim or motion or application seeking allowance of any such Administrative Claim was filed with the Bankruptcy Court unless no such motion for allowance or payment of such Administrative Claim or Proof of Claim is required to be filed under the Bankruptcy Code, the Bankruptcy Rules, the Amended Bank Plan, or any order of the Bankruptcy Court; provided, however, that (x) this deadline may be extended by the Bankruptcy Court on motion by Debtor, Bank of America or any other party in interest and (y) none of Debtor, Bank of America or any other party in interest may file an objection to an Administrative Claim or Claim specified in the Schedules that is Allowed by the Amended Bank Plan.

2. Deadline for Responding to Claim Objections.

A Claimant whose Claim has been objected to in accordance with Section 9.1 of the Amended Bank Plan, must file with the Court and serve upon the parties identified in Section 12.1 of the Amended Bank Plan a

response to such claim objection within 15 days after service of any objection to its Claim. Failure to file such a response within the 15-day time period shall be cause for the Bankruptcy Court to enter a default judgment against the non-responding Claimant and to thereby grant the relief requested in the Claim objection.

3. Estimation of Claims.

After the Effective Date, Debtor may request the Bankruptcy Court to estimate any Claim for purposes of Allowance pursuant to Bankruptcy Code section 502(c).

4. Disallowance of Improperly Filed Claims for Distribution Purposes.

Subject to Bankruptcy Code section 502(j) and Bankruptcy Rules 3008 and 9006, any Claim for which the filing of a Proof of Claim, application or motion with the Bankruptcy Court is required under the terms of the Bankruptcy Code, the Bankruptcy Rules, any order of the Bankruptcy Court (including one providing for a bar date) or the Amended Bank Plan will be disallowed for distribution purposes if and to the extent that such Proof of Claim (or other filing) is not timely and properly made.

5. No Distributions Pending Allowance.

Notwithstanding any other provision in the Amended Bank Plan, if a Claim or any portion of a Claim is a Disputed Claim, no payment or distribution shall be made on account of such Disputed Claim, unless and until such Disputed Claim becomes an Allowed Claim.

6. Distributions After Allowance.

Payments and distributions to each holder of a Claim that is Disputed, or that is not Allowed, to the extent that such Claim ultimately becomes Allowed, shall be made in accordance with the provisions in the Amended Bank Plan governing the Class of Claims in which such Claim is classified. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, Debtor shall distribute to the holder of such Claim any payment or property that would have been distributed to such holder if the Claim had been Allowed as of the Effective Date (or such other date on which such distribution would have been made).

J. General Provisions Relating To Reserves Prior To Effective Date.

1. Applicability of Bank Plan Article 10.

Amended Bank Plan Article 10 shall apply only to Distributions to Claimants made by Debtor. Provisions relating to Disputed Claims administered by Debtor are set forth in the Management Agreement.

2. Distributions on Allowed Claims Only.

Distributions made by Debtor under the Amended Bank Plan shall be made only to the holders of Allowed Claims. Until a Disputed Claim becomes an Allowed Claim, the holder of that Disputed Claim shall not receive the consideration otherwise provided to such Claimant under the Amended Bank Plan.

K. Retention Of Jurisdiction.

1. Jurisdiction.

Until the Chapter 11 Case is closed pursuant to Bankruptcy Code section 350, the Bankruptcy Court shall retain the fullest and most extensive jurisdiction permissible, including that necessary to ensure that the purposes and intent of the Amended Bank Plan are carried out. Except as otherwise provided in the Amended Bank Plan, the Amended Bank Plan or Disclosure Statement exhibits and/or the Confirmation Order, the Bankruptcy Court shall retain jurisdiction to hear and determine all Claims against and Interests in Debtor, and to adjudicate and enforce all other Causes of Action which may exist on behalf of Debtor. Nothing contained herein or in the Amended Bank Plan shall prevent Debtor from taking such action as may be necessary in the enforcement of any Cause of Action which Debtor has or may have and which may not have been enforced or prosecuted by Debtor, which Cause of Action shall survive Confirmation and shall not be affected thereby except as specifically provided in the Amended Bank Plan, the Amended Bank Plan exhibits, and/or the Confirmation Order.

2. General Retention.

Following Confirmation, the administration of the Chapter 11 Case will continue until entry of a decree pursuant to Bankruptcy Code section 350 closing this Chapter 11 Case. Moreover, Debtor shall be subject to the continuing jurisdiction of the Bankruptcy Court. The Bankruptcy Court shall also retain jurisdiction for the purpose of classification of any Claim and the re-examination of Claims that have been Allowed for purposes of voting only, and the determination of such objections as may be filed with the Bankruptcy Court with respect to any such Claim. The failure by Debtor to object to or examine, any Claim for the purposes of voting, shall not be deemed a waiver of the right of Bank of America, or any other interested party, as the case may be, to object to or re-examine such Claim in whole or in part.

3. Specific Purposes.

In addition to the foregoing, the Bankruptcy Court, even after the this Chapter 11 Case has been closed, shall have jurisdiction to the fullest extent of the law over all matters arising under, arising in, or relating to Debtor's this Chapter 11 Case, including proceedings to:

- ensure that the Amended Bank Plan is carried out;
- enter such orders as may be necessary or appropriate to implement, consummate, or enforce the provisions of the Amended Bank Plan and all contracts, instruments, releases, indentures and other agreements or documents created in connection with the Amended Bank Plan or the Amended Bank Disclosure Statement;
- consider any modification of the Amended Bank Plan under Bankruptcy Code section 1127;
- hear and determine all Claims, controversies, suits and disputes against Debtor to the extent permitted under 28 U.S.C. § 1334;
- allow, disallow, determine, liquidate, classify, estimate, or establish the priority or secured or unsecured status of any Claim, including the resolution of any and all objections to the allowance or priority of Claims;
- hear, determine, and adjudicate any litigation involving the Avoidance Actions or other claims or causes of action constituting Estate Assets;

- decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving Debtor that may be pending on or commenced after the Effective Date;
- resolve any cases, controversies, suits, or disputes that may arise in connection with the consummation, interpretation, or enforcement of the Amended Bank Plan, or any Entity's obligations incurred in connection with the Amended Bank Plan, or any other agreements governing, instruments evidencing, or documents relating to any of the foregoing, including the interpretation or enforcement of any rights, remedies, or obligations under any of the foregoing;
- hear and determine all controversies, suits, and disputes that may arise out of or in connection with the enforcement of any and all subordination and similar agreements among various creditors pursuant to Bankruptcy Code section 510;
- hear and determine all requests for compensation and/or reimbursement of expenses that may be made for fees and expenses incurred before the Effective Date;
- enforce any Final Order, the Confirmation Order, the final decree, and all injunctions contained in those orders;
- enter an order concluding and terminating this Chapter 11 Case;
- correct any defect, cure any omission, or reconcile any inconsistency in the Amended Bank Plan or the Confirmation Order;
- determine all questions and disputes regarding title to the Estate Assets and any other assets of Debtor;
- classify the Claims of any Claim Holders and the treatment of these Claims under the Amended Bank Plan, to re-examine Claims that may have been allowed for purposes of voting, and to determine objections that may be filed to any Claims;
- take any action described in the Amended Bank Plan involving the post-confirmation Debtor;
- enter a final decree in the Chapter 11 Case as contemplated by Bankruptcy Rule 3022;
- enforce, by injunction or otherwise, the provisions set forth in the Amended Bank Plan, the Management Agreement, the Confirmation Order, any final decree, and any Final Order that provides for the adjudication of any issue by the Bankruptcy Court; and
- enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated.

4. Failure of Bankruptcy Court to Exercise Jurisdiction.

If the Bankruptcy Court abstains or exercises discretion not to hear any matter within the scope of its jurisdiction, nothing contained in the Amended Bank Plan shall prohibit or limit the exercise of jurisdiction by any other tribunal of competent jurisdiction.

L. General Provisions Of The Amended Bank Plan.

1. Notices.

All notices, requests and demands required or permitted hereunder, to be effective, shall solely be set forth in writing unless otherwise expressly provided in the Amended Bank Plan, and shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

Bank of America

Seyfarth Shaw LLP

Gus A. Paloian, Esq.
Jason J. DeJonker, Esq.
131 S. Dearborn St., Suite 2400
Chicago, Illinois 60603
Tel: (312) 460-5000
Fax: (312) 460-7000

Debtor

MW Group, LLC
c/o Andrew T. Houston
Moon Wright & Houston, PLLC
227 West Trade St.
Suite 1800
Charlotte, North Carolina 28202

2. Dates.

The provisions of Bankruptcy Rule 9006 shall govern the calculation of any dates or deadlines referenced in the Amended Bank Plan, except as otherwise provided. If any payment or act under the Amended Bank Plan is required to be made or performed on a date that is not a business day, then the making of such payment or the performance of such act may be completed on the next succeeding business day, but shall be deemed to have been completed as of the required date.

3. Further Action; Exemptions.

Nothing contained in the Amended Bank Plan shall prevent Bank of America from taking such actions as may be necessary to consummate the Amended Bank Plan, even though such actions may not specifically be provided for within the Amended Bank Plan. Bank of America, if and to the extent necessary, may seek such orders, judgments, injunctions, and rulings that it deems necessary to further carry out the intentions and purposes of, and give full effect to the provisions of, the Amended Bank Plan.

Pursuant to Bankruptcy Code section 1146(c), the making or delivery of any instrument of transfer pursuant to, in implementation of, or as contemplated by, the Amended Bank Plan or the re-vesting, transfer or sale of any real or personal property of Debtor pursuant to, in implementation of, or as contemplated by, the Amended Bank Plan, or the transfer of interests in or the sale of the Real Property pursuant to the Amended

Bank Plan, shall not and may not be taxed under any state or local law imposing a stamp tax, transfer tax, sales tax or similar tax or fee.

Confirmation of the Amended Bank Plan shall constitute a determination, in accordance with Bankruptcy Code section 1145, that except with respect to an Entity that is an underwriter as defined in Bankruptcy Code section 1145(b), Section 5 of the Securities Act of 1933, as amended, and any state or local law requiring registration for offer or sale of a security or registration or licensing of an issuer of, underwriter of, broker or dealer in, a security does not apply to the offer or sale under the Amended Bank Plan of the Estate Assets or of the exchange of Claims against Debtor for Claims against the Estate.

4. Attachments; Entire Agreement; Severability.

All attachments to the Amended Bank Plan or Amended Bank Disclosure Statement are incorporated into the Amended Bank Plan by reference and are intended to be an integral part of the Amended Bank Plan as though fully set forth in the Amended Bank Plan. All exhibits to the Amended Bank Plan or Disclosure Statement shall be filed with the Bankruptcy Court no later than ten days before the Confirmation Date or such other date as is agreed to by Debtor and Bank of America.

The Amended Bank Plan and all exhibits thereto and the Amended Bank Disclosure Statement exhibits set forth the entire agreement and undertakings relating to the subject matter thereof and supersede all prior discussions and documents. No Entity shall be bound by any terms, conditions, definitions, warranties, understandings, or representations with respect to the subject matter thereof, other than as expressly provided for therein or as may hereafter be agreed to by the parties in writing. To the extent there is any inconsistency or ambiguity between any term or provision contained in the Amended Bank Plan, on the one hand, and the Amended Bank Disclosure Statement, on the other, the terms and provisions of the Amended Bank Plan shall control.

If any term or provision of the Amended Bank Plan is held by the Bankruptcy Court, prior to or at the time of Confirmation, to be invalid, void or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as so altered or interpreted. In the event of any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Amended Bank Plan may, at the option of Bank of America, remain in full force and effect and not be deemed affected. However, Bank of America reserves the right not to proceed to Confirmation or consummation of the Amended Bank Plan if any such ruling occurs. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Amended Bank Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

5. Amended Bank Plan Amendments.

Before the Confirmation Date, Bank of America may modify, amend or withdraw the Amended Bank Plan, without approval of the Bankruptcy Court. After the Confirmation Date and subject to approval of Bank of America and the Bankruptcy Court, Debtor may amend or modify the Amended Bank Plan to remedy any defect or omission or reconcile any inconsistencies in the Amended Bank Plan or in the Confirmation Order, in such manner that may be necessary to carry out the purposes and intent of the Amended Bank Plan and so long as it does not materially or adversely affect the rights set forth in the Amended Bank Plan of creditors and other parties in interest. Debtor reserves the right to modify the treatment of any Allowed Claim, as provided in Bankruptcy Code section 1123(a)(4), at any time after the Effective Date upon the consent of Bank of America and the holder of such Allowed Claim.

6. Binding Effect; No Waiver; Non-Debtor Waiver of Rights.

Upon occurrence of the Effective Date, the Amended Bank Plan shall be binding on, and inure to the benefit of, Debtor, Bank of America, and all holders of Claims and Interests, and their respective successors and assigns, regardless of whether those parties voted to accept the Amended Bank Plan.

Neither the failure of Debtor to list a Claim in its Schedules, the failure of Debtor or Bank of America to object to any Claim or Interest for purposes of voting, the failure of Debtor or Bank of America to object to a Claim, Administrative Claim or Interest prior to the Confirmation Date or the Effective Date, the failure of Debtor to assert a Cause of Action prior to the Confirmation Date or the Effective Date, the absence of a Proof of Claim having been filed with respect to a Claim, Administrative Claim, Interest or Cause of Action other than a legally effective express waiver or release shall be deemed a waiver or release of the right of a Debtor or Bank of America, before or after solicitation of votes on the Amended Bank Plan or before or after, the Confirmation Date or the Effective Date to (a) object to or examine such Claim, Administrative Claim or Interest, in whole or in part or (b) retain and either assign or exclusively assert, pursue, prosecute, utilize, otherwise act or otherwise enforce any Cause of Action.

Non-Debtor parties shall have the right to voluntarily waive any rights, benefits or protections that are afforded to them under the provisions of the Amended Bank Plan or any order issued in furtherance of the Amended Bank Plan, and such waiver shall supersede such rights, benefits or protections. Any such waiver shall only be effective if such party expressly and specifically waives in writing one or more of such rights, benefits or protections.

7. Governing Law.

Except to the extent that the Bankruptcy Code or Bankruptcy Rules are applicable, the rights and obligations arising under the Amended Bank Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of North Carolina, without giving effect to any conflicts of law principles.

8. No Admissions.

Notwithstanding anything here and to the contrary, nothing contained in the Amended Bank Plan shall be deemed as an admission by any Person with respect to any matter set forth therein.

9. Recordable Order.

Upon Confirmation of the Amended Bank Plan, the Confirmation Order shall be deemed to be in recordable form, and shall be accepted by any recording officer for filing and recording purposes without further or additional orders, certifications, or other supporting documents.

10. Setoffs.

Subject to the limitations provided in Bankruptcy Code section 553, Debtor may, but will not be required to, setoff against any Claim and the payments or other distributions to be made pursuant to the Amended Bank Plan in respect of such Claim, claims of any nature whatsoever Debtor may have against the holder of such Claim, but neither the failure to do so nor the allowance of any Claim under the Amended Bank Plan will constitute a waiver or release by Debtor of any such claim that Debtor may have against such holder.

11. Objections to Professional Fee Claims.

Objections to any application of Professional Fee Applications for compensation or reimbursement of expenses must be filed and served on the respective applicant and its counsel no later than the first Business Day following 10 calendar days (or such other period as may be allowed by order of the Bankruptcy Court) after the date on which the applicable application for compensation or reimbursement was received.

12. Amended Bank Plan Supplement.

The Contract/Lease Schedule and other forms of documents and the agreements pertaining to the Amended Bank Plan shall be contained in the Amended Bank Plan Supplement and filed at least twenty-one (21) days prior to the Confirmation Hearing, or as reasonably soon thereafter as such documents become available. Upon its filing with the Bankruptcy Court, the Amended Bank Plan Supplement may be inspected during normal Bankruptcy Court hours, provided however, that Bank of America shall give direct notice of the Contract/Lease Schedule to all counterparties to executory contracts and unexpired leases to be assumed. Holders of Claims (other than counterparties to executory contracts and unexpired leases to be assumed) may obtain a copy of the Amended Bank Plan Supplement upon written request to counsel to Bank of America.

M. **Substantial Consummation.**

1. Substantial Consummation.

The Amended Bank Plan shall be deemed substantially consummated immediately on final Distributions to all Holders of Allowed Claims.

2. Notice of Effective Date.

Promptly after occurrence of the Effective Date, Bank of America shall file with the clerk of the Bankruptcy Court a notice that the Amended Bank Plan has become effective, in accordance with Sections 4.1 and 8.6 of the Amended Bank Plan; *provided, however*, that the failure to file such notice shall not affect the effectiveness of the Amended Bank Plan or the rights or substantive obligations of any Entity hereunder.

3. Final Decree.

On substantial consummation, Debtor may move for a final decree closing the Chapter 11 Case and requesting such other orders as may be necessary and appropriate.

Bank of America recognizes that Debtor disagrees with certain of the contentions contained in Article VI.

VII.
CONFIRMATION PROCEDURES

A. **The Confirmation Hearing.**

Bankruptcy Code section 1128 requires the Bankruptcy Court, after notice, to hold a hearing on confirmation of the Plans (the "Confirmation Hearing" in the Amended Bank Plan). Bankruptcy Code section 1128(b) provides that any party-in-interest may object to confirmation of the Plans.

The Bankruptcy Court has scheduled the Confirmation Hearing for _____, 2013, at _____m. E.S.T., before the Honorable Laura T. Beyer, United States Bankruptcy Judge, in the United States Bankruptcy Court for the Western District of North Carolina, Courtroom 126, Charles Jonas Federal Building, 401 West Trade Street, Charlotte, NC 28202. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or any adjournment thereof.

Objections to confirmation of the Plans must be filed with the Bankruptcy Court and served on or before _____ in accordance with the Notice accompanying this Amended Bank Disclosure Statement. **THE BANKRUPTCY COURT WILL NOT CONSIDER OBJECTIONS TO CONFIRMATION UNLESS THEY ARE TIMELY SERVED AND FILED IN COMPLIANCE WITH THE APPROVAL ORDER.** Objections to confirmation of the Plans must be served on the following parties:

Gus A. Paloian
Jason J. DeJonker
Seyfarth Shaw LLP
131 South Dearborn Street, Suite 2400
Chicago, Illinois 60603
Facsimile: (312) 460-7000

Travis W. Moon
Andrew T. Houston
MOON, WRIGHT & HOUSTON, PLLC
227 West Trade Street, Suite 1800
Charlotte, North Carolina 28202
Facsimile: (704) 944-0380

Attorneys for Bank of America, N.A., successor by merger to LaSalle Bank National Association

Attorneys for MW Group, LLC

1. Statutory Requirements For Confirmation Of The Amended Bank Plan.

At the Confirmation Hearing, the Bankruptcy Court shall determine whether the requirements of Bankruptcy Code section 1129 have been satisfied. Bank of America believes that the Amended Bank Plan satisfies or will satisfy the applicable requirements, as follows:

- The Amended Bank Plan complies with the applicable provisions of the Bankruptcy Code.
- Bank of America, as the Amended Bank Plan proponent, will have complied with the applicable provisions of the Bankruptcy Code.
- The Amended Bank Plan has been proposed in good faith and not by any means forbidden by law.
- Any payment made or promised under the Amended Bank Plan for services or for costs and expenses in, or in connection with, the Chapter 11 Case, or in connection with the Amended Bank Plan and incident to the case, has been disclosed to the Bankruptcy Court, and any such payment: (1) made before the Confirmation of the Amended Bank Plan is reasonable; or (2) subject to the approval of the Bankruptcy Court as reasonable if it is to be fixed after the Confirmation of the Amended Bank Plan.
- Either each Holder of an Impaired Claim or Equity Interest has accepted the Amended Bank Plan, or will receive or retain under the Amended Bank Plan on account of that Claim or Equity Interest, property of a value, as of the Effective Date of the Amended Bank Plan, that is not less than the amount that the Holder would receive or retain if Debtor was liquidated on that date under Chapter 7 of the Bankruptcy Code.
- Each Class of Claims or Equity Interests that is entitled to vote on the Amended Bank Plan has either accepted the Amended Bank Plan or is not Impaired under the Amended Bank Plan, or the Amended

Bank Plan can be confirmed without the approval of each voting Class pursuant to Bankruptcy Code section 1129(b).

- Except to the extent that the Holder of a particular Claim will agree to a different treatment of its Claim, the Amended Bank Plan provides that all Allowed Claims against Debtor (other than the Bank Secured Claim, the Insider Claims, and the Interests) will be paid in full on the Effective Date, or as soon thereafter as practicable.
- At least one Class of Impaired Claims will accept the Amended Bank Plan, determined without including any acceptance of the Amended Bank Plan by any Insider holding a Claim of that Class.
- Confirmation of the Amended Bank Plan is not likely to be followed by the liquidation or the need for further financial reorganization of Debtor or any successors thereto under the Amended Bank Plan unless such a liquidation or reorganization is proposed in the Amended Bank Plan.
- All fees of the type described in 28 U.S.C. § 1930, including the fees of the United States Trustee, will be paid as of the Effective Date.

Bank of America believes that: (a) the Amended Bank Plan satisfies or will satisfy all of the statutory requirements of chapter 11 of the Bankruptcy Code; (b) it has complied or will have complied with all of the requirements of chapter 11; and (c) the Amended Bank Plan has been proposed in good faith. Bank of America understands that Debtor disagrees with these contentions.

2. Best Interests of Holders Test/Liquidation Analysis.

Before the Amended Bank Plan may be confirmed, the Bankruptcy Court must find (with certain exceptions) that the Amended Bank Plan provides, with respect to each Class, that each Holder of a Claim or Equity Interest in such Class either: (a) has accepted the Amended Bank Plan; or (b) will receive or retain under the Amended Bank Plan property of a value, as of the Effective Date, that is not less than the amount that such person would receive or retain if Debtor liquidated under chapter 7 of the Bankruptcy Code.

In chapter 7 liquidation cases, unsecured creditors and interest holders of a debtor are paid from available assets generally in the following order, with no junior Class receiving any payments until all amounts due to senior Classes have been paid fully or any such payment is provided for:

- Secured creditors (to the extent of the value of their collateral);
- Priority creditors;
- Unsecured creditors;
- Debt expressly subordinated by its terms or by order of the Bankruptcy Court; and
- Equity Interest Holders.

As described in more detail in the Liquidation Analysis set forth above in the detailed Liquidation Analysis attached hereto as **Exhibit C**, Bank of America believes that the value of any distributions in a chapter 7 case would be less than the value of distributions under the Amended Bank Plan because, among other reasons, distributions in a chapter 7 case may not occur for a longer period of time, thereby reducing the present value of such distributions. In this regard, it is possible that distribution of the proceeds of a liquidation could be delayed for a period in order for a chapter 7 trustee and its professionals to become knowledgeable about the

chapter 11 cases and the Claims against Debtor. In addition, proceeds received in a chapter 7 liquidation are likely to be significantly discounted due to the distressed nature of the sale, and the fees and expenses of a chapter 7 trustee would likely exceed those of the Professionals retained by Debtor (thereby further reducing Cash available for distribution). Under the Amended Bank Plan, however, Holders of Class 1 Other Secured Claims and Class 2 General Unsecured, Non-Insider Claims will be paid in full, in Cash, on the Effective Date or soon thereafter.

3. Feasibility.

The Bankruptcy Code requires the Bankruptcy Court to find, as a condition to confirmation, that confirmation is not likely to be followed by Debtor's liquidation or the need for further financial reorganization, unless that liquidation is contemplated by the Amended Bank Plan. For purposes of showing that the Amended Bank Plan meets this feasibility standard, Bank of America analyzed the likelihood that all Holders of Allowed Claims will receive the treatment and Distributions provided under the Amended Bank Plan.

Bank of America believes that Debtor's available cash flow, the Cash Collateral, and the Bank Carve Out Payments, will provide more than sufficient Cash to afford a one-hundred percent (100%) Distribution to the Holders of all Allowed Other Secured Claims and Allowed General Unsecured Claims (other than Insider Claims) on the Effective Date or soon thereafter. Bank of America is one of the world's largest financial institutions, serving individual consumers, small- and middle-market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk management products and services. Bank of America Corporation stock (NYSE: BAC) is a component of the Dow Jones Industrial Average and is listed on the New York Stock Exchange.

Thereafter, Debtor should have sufficient operational cash flow and proceeds from the Sale to pay and service all of its obligations under the Amended Bank Plan. Accordingly, Bank of America believes that the Amended Bank Plan complies with the financial feasibility standard of Bankruptcy Code section 1129(a)(11). Bank of America understands that Debtor may disagree with these contentions.

4. Acceptance by Impaired Classes.

The Bankruptcy Code requires, as a condition to confirmation, that, except as described in the following section, each Class of Claims or Equity Interests that is impaired under the Amended Bank Plan accept the Amended Bank Plan. A Class that is not "impaired" under a plan of reorganization is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to such Class is not required. A Class is "impaired" unless the Amended Bank Plan: (1) leaves unaltered the legal, equitable and contractual rights to which the Claim or Equity Interest entitles the Holder of that Claim or Equity Interest; (2) cures any default and reinstates the original terms of the obligation; or (3) provides that, on the consummation date, the Holder of the Claim or Equity Interest receives Cash equal to the allowed amount of that Claim or, with respect to any interest, any fixed liquidation preference to which the interest Holder is entitled or any fixed price at which Debtor may redeem the security. Under the Amended Bank Plan, Holders of Class 1, Class 2 and Class 3 Claims are impaired and entitled to vote.

5. Confirmation Without Acceptance by All Impaired Classes.

Bankruptcy Code section 1129(b) allows a Bankruptcy Court to confirm a plan, even if all Impaired Classes entitled to vote on the plan have not accepted it, *provided that* the plan has been accepted by at least one Impaired Class of Claims. Bank of America, as the impaired Holder of both a Class 1 Claim and a Class 3 Claim against Debtor under the Amended Bank Plan, will support its Amended Bank Plan and vote to accept it.

Further, because Holders of Class 2 Claims will receive a quicker and more likely Distribution in full payment of their Claims, Bank of America expects that Class 2 Holders will vote for the Amended Bank Plan.

Bankruptcy Code section 1129(b) states that, notwithstanding an Impaired Class's failure to accept a plan of reorganization, the plan shall be confirmed, at the plan proponent's request, in a procedure commonly known as "cram-down," so long as the plan does not "discriminate unfairly" and is "fair and equitable" with respect to each Class of Claims or Equity Interests that is Impaired under, and has not accepted, the plan.

In general, a plan does not discriminate unfairly if it treats a class substantially equivalent to how other classes that have equal rank are treated. Courts will take into account a number of factors in determining whether a plan discriminates unfairly, including the effect of applicable subordination agreements between parties. Accordingly, a plan could treat two classes of unsecured creditors differently without unfairly discriminating against either class.

The Amended Bank Plan provides that if any Impaired Class rejects the Amended Bank Plan, Bank of America reserves the right to seek to confirm the Amended Bank Plan utilizing the "cram down" provisions of Bankruptcy Code section 1129(b). To the extent that any Impaired Class rejects the Amended Bank Plan or is deemed to have rejected the Amended Bank Plan, Bank of America will request confirmation of the Amended Bank Plan, as it may be modified from time to time, under Bankruptcy Code section 1129(b). Bank of America reserves the right to alter, amend, modify, revoke or withdraw the Amended Bank Plan or any Amended Bank Plan Exhibit or Schedule, including to amend or modify it to satisfy the requirements of Bankruptcy Code section 1129(b), if necessary.

B. Risk Factors.

Prior to deciding whether and how to vote on the Amended Bank Plan, each Holder of a Claim should consider carefully all of the information in this Amended Bank Disclosure Statement, and should particularly consider the Risk Factors described in Article VIII below.

C. Identity of Persons to Contact for More Information.

Any interested party desiring further information about the Amended Bank Plan should contact: Jason J. DeJonker, Seyfarth Shaw LLP, 131 South Dearborn Street, Suite 2400, Chicago, Illinois 60603, Telephone: (312) 460-5000, jdejonker@seyfarth.com.

Bank of America recognizes that Debtor disagrees with certain of the contentions contained in this Article VII.

VIII.
CERTAIN RISK FACTORS
AFFECTING CONFIRMATION OF THE AMENDED BANK PLAN

PRIOR TO VOTING TO ACCEPT OR REJECT THE AMENDED BANK PLAN, ALL HOLDERS SHOULD READ AND CAREFULLY CONSIDER THE FACTORS SET FORTH BELOW, AS WELL AS ALL OTHER INFORMATION IN THIS AMENDED BANK DISCLOSURE STATEMENT.

- **Parties in Interest May Object To The Classification of Claims and Equity Interests Under The Amended Bank Plan:** Bankruptcy Code section 1122 provides that a plan of reorganization may place a class or an interest in a particular class only if such claim or interest is substantially similar to the other

claims or interests in such class. Bank of America believes that the classification of Claims and Equity Interests under the Amended Bank Plan complies with the requirements set forth in the Bankruptcy Code. There can be no assurance, however, that the Bankruptcy Court will reach the same conclusion.

- **Risk of Non-Confirmation of the Amended Bank Plan.** Although Bank of America believes that the Amended Bank Plan will satisfy all requirements necessary for Confirmation, there can be no assurance that the Bankruptcy Court will reach the same conclusion. Moreover, there can be no assurance that modifications of the Amended Bank Plan will not be required for Confirmation or that such Modifications would not necessitate the re-solicitation of votes.
- **Bank of America May Not be Able to Secure Confirmation of the Amended Bank Plan.** A non-accepting creditor or a Holder of an Equity Interest of Debtors might challenge the adequacy of this Amended Bank Disclosure Statement or could assert that the balloting procedures and results do not comply with the Bankruptcy Code or Bankruptcy Rules. Even if the Bankruptcy Court were to determine that this Amended Bank Disclosure Statement and the balloting procedures and results were appropriate, the Bankruptcy Court could still decline to confirm the Amended Bank Plan if it were to determine that any of the statutory requirements for confirmation had not been met, including a determination that the terms of the Amended Bank Plan are not fair and equitable to non-accepting Classes. Bankruptcy Code section 1129 sets forth the requirements for confirmation and requires, among other things, a finding by the Bankruptcy Court that a plan “does not unfairly discriminate” and is “fair and equitable” with respect to any non-accepting classes, confirmation of the plan is not likely to be followed by a liquidation or a need for further financial reorganization, and the value of distributions to non-accepting Holders of Claims and interests within a particular class under the plan will not be less than the value of distributions that any such Holders would receive were the debtor to be liquidated under chapter 7 of the Bankruptcy Code.
- **Bank of America or Another Party In Interest May Object to the Amount or Classification of a Claim.** Except as otherwise provided in the Amended Bank Plan, Bank of America, and all parties-in-interest reserve the right to object to the amount or classification of any Claim or Equity Interest deemed Allowed under the Amended Bank Plan. The estimates set forth in this Amended Bank Disclosure Statement cannot be relied on by any Holder of a Claim or Equity Interest where such Claim or Equity Interest is subject to an objection. Any Holder of a Claim may not receive its specified share of the estimated distributions described in this Amended Bank Disclosure Statement.
- **Risk of Non-Occurrence of the Effective Date.** Although Bank of America believes that the Effective Date may occur as soon as fourteen (14) Business Days after the Confirmation Date, there can be no assurance as to such timing.
- **Contingencies Not to Affect Votes of Impaired Classes to Accept the Amended Bank Plan.** The distributions available to Holders of Allowed Claims under the Amended Bank Plan can be affected by a variety of contingencies, including, without limitation, whether the Bankruptcy Court orders certain Claims to be subordinated to other Claims. The occurrence of any and all such contingencies which could affect distributions available to Holders of Allowed Claims under the Amended Bank Plan, however, will not affect the validity of the vote taken by the Impaired Classes to accept or reject the Amended Bank Plan or require any sort of revote by the Impaired Classes.

IX.

ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE AMENDED BANK PLAN

If the Amended Bank Plan is not confirmed and consummated, the alternatives to the Amended Bank Plan include: (1) the Debtor Plan proposed by Debtor, (2) liquidation of Debtor under chapter 7 of the Bankruptcy Code; and (3) an alternative plan of reorganization proposed by Debtor, the Bank, or another interested party. Bank of America understands that Debtor may disagree with the contentions set forth in this Article IX.

A. The Debtor Plan.

Debtor has proposed the Debtor Plan and Debtor Disclosure Statement.

B. Liquidation under Chapter 7.

If the Bankruptcy Court does not confirm or determines that it cannot confirm a Chapter 11 plan, Debtor's Chapter 11 Case may be converted to a case under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be elected to liquidate the assets of Debtor for distribution in accordance with the priorities established by the Bankruptcy Code. A discussion of the effects that a chapter 7 liquidation would have on the recoveries of Holders of Claims and Equity Interests and the Bank of America's liquidation analysis is set forth in Exhibit C attached hereto. Bank of America believes that liquidation under chapter 7 would result in smaller distributions being made to creditors than those provided for in the Amended Bank Plan because of: (1) the likelihood that the assets of Debtor would have to be sold or otherwise disposed of in a less orderly fashion over a shorter period of time; (2) additional administrative expenses involved in the appointment of a trustee; and (3) additional expenses and claims, some of which would be entitled to priority, that would be generated during the liquidation and from the rejection of leases and other executory contracts in connection with a cessation of Debtor's operations. In addition, Bank of America believes that less distributions will be made to any class junior to the Bank Secured Claim in a Chapter 7 liquidation, as (a) Bank of America will not have waived a substantial portion its secured claim as part of a Chapter 7 liquidation, and (b) there would be no Bank Carve Out Payments as part of a Chapter 7 liquidation.

C. Alternative Plan of Reorganization.

If the Amended Bank Plan is not confirmed, Bank of America, Debtor or any other party in interest could attempt to formulate a different plan. Such a plan might involve either a reorganization and continuation of Debtor's business or an orderly liquidation of its assets. With respect to an alternative plan, Bank of America has explored various alternatives in connection with the formulation and development of the Amended Bank Plan. Bank of America believes that the Amended Bank Plan, as described herein, enables creditors to realize the most value under the circumstances.

X.

MISCELLANEOUS PROVISIONS

A. Attachments; Entire Agreement.

All attachments to the Amended Bank Disclosure Statement are incorporated herein by reference and are intended to be an integral part of this document as though fully set forth in the Amended Bank Disclosure Statement.

B. Amended Bank Plan Amendments.

Before the Confirmation Date, Bank of America may modify, amend or withdraw the Amended Bank Plan, without approval of the Bankruptcy Court. After the Confirmation Date and subject to approval of Bank of America and the Bankruptcy Court, Bank of America may amend or modify the Amended Bank Plan to remedy any defect or omission or reconcile any inconsistencies in the Amended Bank Plan or in the Confirmation Order, in such manner that may be necessary to carry out the purposes and intent of the Amended Bank Plan and so long as it does not materially or adversely affect the rights set forth in the Amended Bank Plan of creditors and other parties in interest. Bank of America reserves the right to modify the treatment of any Allowed Claim, as provided in Bankruptcy Code section 1123(a)(4), at any time after the Effective Date upon the consent of Bank of America and the Holder of such Allowed Claim.

C. Governing Law.

Except to the extent that the Bankruptcy Code or Bankruptcy Rules are applicable, the rights and obligations arising under the Amended Bank Disclosure Statement and Amended Bank Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of North Carolina, without giving effect to any conflicts of law principles.

D. No Admissions.

Notwithstanding anything here and to the contrary, nothing contained in the Amended Bank Disclosure Statement shall be deemed as an admission by any Person with respect to any matter set forth herein.

[Intentionally Left Blank]

XI.
CONCLUSION AND RECOMMENDATION

Bank of America believes the Amended Bank Plan is in the best interests of all creditors and accordingly urges the Holders to vote to accept the Amended Bank Plan.

Dated: January 15, 2014
Charlotte, North Carolina

Respectfully Submitted:

BANK OF AMERICA, N.A., successor by merger
to LaSalle Bank National Association

By: /s/ D. Kyle Deak
D. Kyle Deak
N.C. State Bar I.D. No. 35799
TROUTMAN SANDERS LLP
434 Fayetteville Street, Suite 1900
Raleigh, North Carolina 27601
Telephone: 919-835-4103
Facsimile: 919-829-8700
Kyle.deak@troutmansanders.com

Gus A. Paloian (6188186)
Jason J. DeJonker (6272128)
SEYFARTH SHAW LLP
131 South Dearborn Street
Chicago, Illinois 60603
Telephone: (312) 460-5000
Facsimile: (312) 460-7000

Shuman Sohrn (Ga. Bar 143104)
SEYFARTH SHAW LLP
1075 Peachtree Street, Suite 2500
Atlanta, Georgia 30309
Telephone: (404) 885-1500
Facsimile: (404) 892-7056

**Attorneys for the Bank of America, N.A., successor by merger
to LaSalle Bank National Association**

EXHIBITS

- Exhibit A** Chapter 11 Amended Plan of Bank of America, N.A. for MW Group, LLC
- Exhibit B** Sales Bidding Procedures
- Exhibit C** Liquidation Analysis