IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:	:	Chapter 11
PLASTECH ENGINEERED PRODUCTS, INC., et al.,	:	Case No. 08-42417 (PJS)
	:	Jointly Administered
Debtors.	:	

DISCLOSURE STATEMENT WITH RESPECT TO JOINT PLAN OF LIQUIDATION PROPOSED BY PLASTECH ENGINEERED PRODUCTS, INC., ITS SUBSIDIARY DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

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Dated: August 11, 2008
Detroit, Michigan

DISCLAIMER

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS INCLUDED HEREIN FOR PURPOSES OF SOLICITING ACCEPTANCES OF THE JOINT PLAN OF LIQUIDATION PROPOSED BY PLASTECH ENGINEERED PRODUCTS, INC., ITS SUBSIDIARY DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, AND MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN. NO PERSON MAY GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS, OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DISCLOSURE STATEMENT, REGARDING THE PLAN OR THE SOLICITATION OF ACCEPTANCES OF THE PLAN.

ALL CREDITORS ARE ADVISED AND ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND THE PLAN IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN AND THE EXHIBITS AND SCHEDULES ANNEXED TO THE PLAN AND THIS DISCLOSURE STATEMENT. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE ONLY AS OF THE DATE HEREOF, AND THERE CAN BE NO ASSURANCE THAT THE STATEMENTS CONTAINED HEREIN WILL BE CORRECT AT ANY TIME AFTER THE DATE HEREOF.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE UNITED STATES BANKRUPTCY CODE AND RULE 3016(c) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER NON-BANKRUPTCY LAW. THIS DISCLOSURE STATEMENT HAS BEEN NEITHER APPROVED NOR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), NOR HAS THE SEC PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN. PERSONS OR ENTITIES TRADING IN OR OTHERWISE PURCHASING, SELLING OR TRANSFERRING SECURITIES OR CLAIMS OF PLASTECH ENGINEERED PRODUCTS, INC., OR ANY OF THE SUBSIDIARY DEBTORS AND DEBTORS IN POSSESSION IN THESE CASES SHOULD EVALUATE THIS DISCLOSURE STATEMENT AND THE PLAN IN LIGHT OF THE PURPOSE FOR WHICH THEY WERE PREPARED.

AS TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND OTHER ACTIONS OR THREATENED ACTIONS, THIS DISCLOSURE STATEMENT SHALL NOT CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, STIPULATION OR WAIVER, BUT RATHER AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS PURSUANT TO RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND OTHER APPLICABLE EVIDENTIARY RULES. THIS DISCLOSURE STATEMENT SHALL NOT BE ADMISSIBLE IN ANY NON-BANKRUPTCY PROCEEDING NOR SHALL IT BE CONSTRUED TO BE CONCLUSIVE ADVICE ON THE TAX, SECURITIES OR OTHER LEGAL EFFECTS OF THE PLAN AS TO HOLDERS OF CLAIMS AGAINST, OR EQUITY INTERESTS IN, PLASTECH ENGINEERED PRODUCTS

INC. OR ANY OF THE SUBSIDIARY DEBTORS AND DEBTORS IN POSSESSION IN THESE CASES.

EXCEPT AS OTHERWISE PROVIDED HEREIN, CAPITALIZED TERMS NOT OTHERWISE DEFINED IN THIS DISCLOSURE STATEMENT HAVE THE MEANINGS ASCRIBED TO THEM IN THE PLAN. UNLESS OTHERWISE NOTED, ALL DOLLAR AMOUNTS PROVIDED IN THIS DISCLOSURE STATEMENT AND THE PLAN ARE GIVEN IN UNITED STATES DOLLARS.

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, EACH HOLDER IS HEREBY NOTIFIED THAT (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES IN THIS DISCLOSURE STATEMENT IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY ANY HOLDER FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON A HOLDER UNDER THE TAX CODE; (B) SUCH DISCUSSION IS INCLUDED HEREBY BY THE DEBTORS IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE DEBTORS OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) EACH HOLDER SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

OVERVIEW OF THE CHAPTER 11 CASES AND THE DEBTORS

This Disclosure Statement contains, among other things, descriptions and summaries of provisions of the Joint Plan of Liquidation Proposed By Plastech Engineered Products, Inc., Its Subsidiary Debtors and the Official Committee of Unsecured Creditors, dated as of August 11, 2008 (the "Plan").

The following introduction and summary (the "Overview") is a general overview only, which is qualified in its entirety by, and should be read in conjunction with, the more detailed discussions, information and financial statements and notes thereto appearing elsewhere in this Disclosure Statement and the Plan. This Overview is intended solely as a summary of the background of the Debtors' chapter 11 cases and the distribution provisions of the Plan and is qualified in its entirety by the terms and provisions of the Plan. FOR A COMPLETE UNDERSTANDING OF THE PLAN, YOU SHOULD READ THE DISCLOSURE STATEMENT, THE PLAN AND THE EXHIBITS THERETO IN THEIR ENTIRETY. All capitalized terms not defined in this Disclosure Statement have the meanings ascribed to such terms in the Plan. A copy of the Plan is annexed hereto as Appendix A.

A. Introductory Note

As detailed more fully herein, on February 1, 2008 (the "Petition Date"), Plastech Engineered Products, Inc. ("PEPI") and its direct and indirect subsidiaries, LDM Technologies, Inc., Plastech Frenchtown, Inc., Plastech Decorating Systems, Inc., Plastech Exterior Systems, Inc., Plastech Romulus, Inc., MBS Polymet, Inc., LDM Holding Canada, Inc., and LDM Holding Mexico, Inc. (collectively, the "Subsidiary Debtors", and together with PEPI, the "Debtors") each commenced a case in the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court") under Chapter 11 of the Bankruptcy Code. Pursuant to Bankruptcy Code sections 1107 and 1108, the Debtors are operating their businesses as debtors and debtors in possession. The filing did not include LDM Technologies Company ("LDM", and together with the Debtors and their other foreign non-debtor subsidiaries, the "Company"), a Canadian affiliate that filed an assignment in bankruptcy on June 12, 2008, in Toronto, Ontario, Canada. As set forth below, pursuant to the Sales and Sale-Related Settlements, the Debtors have sold substantially all of their assets and are in the process of winding down their Estates.

B. Business Overview

Founded in 1988, PEPI was a privately-held company that was based in Dearborn, Michigan. PEPI was a Tier-1 and Tier-2 automotive parts supplier and a designer and maker of blow-molded and injection-molded plastic products primarily for the automotive industry. PEPI was the largest female-owned company in the state of Michigan and certified as a Minority Business Enterprise ("MBE") by the state of Michigan.

PEPI began in 1988 with the purchase of a single injection molding facility in Caro, Michigan. Since that time and through the Petition Date, PEPI grew rapidly through a mixture of organic growth and acquisitions, the most notable of the latter being the purchase of United Screw and Bolt Corporation in 1997 and LDM Technologies, Inc. in 2004.

PEPI's products included automotive interior trim, underhood components, bumper and other exterior components, and cockpit modules. PEPI's business was generally divided into the following operating segments: (i) interiors; (ii) exteriors; (iii) stamping; and (iv) carpet. PEPI's largest customers included GM, Ford, Chrysler and Toyota, which customers are original equipment manufacturers ("OEMs") that are federally-licensed entities required to warrant and/or guarantee their products. PEPI also conducted significant business with Johnson Controls, Inc. ("JCI", and together with GM, Ford and Chrysler, the "Major Customers"), a Tier-1 automotive parts supplier. As of the Petition Date, PEPI maintained more than thirty-five (35) manufacturing facilities in the midwestern and southern United States and employed over seven thousand seven hundred (7,700) people in numerous manufacturing facilities and 2 corporate locations in North America. Approximately seventy percent (70%) of the Debtors' workforce, as of the Petition Date was unionized.

C. Prepetition Corporate and Capital Structure

Ms. Julie Nguyen Brown holds 99.33% of the common shares of PEPI. The remaining shares are held by Tai Nguyen. As set forth on the organization chart, annexed hereto as Appendix B, PEPI, a company incorporated under the laws of the state of Michigan, in turn, owns 100% of the equity of Plastech Frenchtown, Inc., Plastech Decorating Systems, Inc., Plastech Exterior Systems, Inc. ("Plastech Exterior"), and LDM Technologies, Inc. ("LDM Technologies"). Plastech Exterior in turn owns 100% of the equity of Plastech Romulus, Inc. and MBS Polymet, Inc. Finally, LDM Technologies owns 100% of LDM Holding Canada, Inc. and LDM Holding Mexico, Inc. These Chapter 11 Cases do not include any of the Debtors' foreign subsidiaries.

In February 2007, the Company refinanced its existing debt (the "Refinancing"). In connection with the Refinancing, the Company entered into the Revolving Credit Facility, the First Lien Term Loan and the Second Lien Term Loan (all of which are defined below). On February 12, 2007, the Company entered into a new revolving credit facility (the "Revolving Credit Facility") with various lenders and (i) Goldman Sachs Credit Partners L.P. ("Goldman") as lead arranger, syndication agent, and administrative agent; (ii) Wells Fargo Foothill, Inc., as collateral agent; and (iii) Bank of America, N.A., Comerica Bank, and Wachovia Capital Finance Corporation (Central) as co-documentation agents. The Revolving Credit Facility was an asset based loan pursuant to which the Company was able to borrow up to $200 million, subject to a formula and available collateral. The Revolving Credit Agreement was secured by a first lien on the Company's "Liquid Collateral" (as defined in that certain Intercreditor Agreement, dated February 12, 2007 (the "Intercreditor Agreement")), which Liquid Collateral includes, but is not limited to: all accounts; all chattel paper; all instruments; letter of credit rights; payment intangibles; receivables; deposit accounts; and all inventory. Pursuant to the Final DIP Order (as defined below) and as discussed further in Section VI.C, no pre-petition loans under the Revolving Credit Facility remain outstanding.

Also on February 12, 2007, the Company entered into a first lien term loan (the "First Lien Term Loan"), with various lenders and with Goldman as lead arranger, syndication agent, administrative agent, and collateral agent. The First Lien Term Loan is secured by a first lien on "Fixed Collateral," with a second lien on Liquid Collateral. The term "Fixed Collateral" includes, but is not limited to: Net Available Cash Account (as defined in the First Lien Term

Loan); all equipment; all fixtures; fee interests in real property; intellectual property; general intangibles; and stock collateral and equity interests, all as further specified in the Intercreditor Agreement. As of the Petition Date, the First Lien Term Loan was fully drawn in the amount of approximately $265 million.

Finally, the Company also entered into a second lien term loan (the "Second Lien Term Loan") with various lenders and with (i) Goldman as lead arranger and syndication agent; and (ii) the Bank of New York as administrative agent and collateral agent. The Second Lien Term Loan is secured by a second lien on the Fixed Collateral and a lien junior to the First Lien Term Loan lenders' second lien on Liquid Collateral. As of the Petition Date, the Second Lien Term Loan was fully drawn in the amount of $100 million.

D. Events Leading to Chapter 11

Certain developments, including the general downturn in the domestic automotive market and the rising price of certain commodities, resulted in a reduction, prior to the Petition Date, of the Company's liquidity position. As set forth herein, the impact of these developments and the resulting liquidity issues faced by the Company were accelerated by the actions taken by one of the Company's significant customers, Chrysler, immediately prior to the Petition Date.

Initially, the market share and overall production of the Company's largest customers, the OEMs, had steadily declined in the years preceding the filing of these Chapter 11 Cases. Because the Company typically supplied its customers on an as-needed basis, when the OEMs decreased production, the volume of the Company's businesses likewise decreased. Moreover, in response to global market pressures the OEMs asked suppliers, including the Company, to lower prices. At the same time as the Company faced pressure from the OEMs, the Company also received pressure from its suppliers. For several years prior to the Petition Date, the Company experienced certain commodity price increases – most notably in the price of polypropylene and other petroleum based materials, the main commodities used in the production of the Company's products. Thus, at the same time the OEMs required the Company to decrease prices, the Company experienced sharply higher costs of production due to rising polypropylene and other petroleum based materials prices. Accordingly, although the Company had to pay higher prices for the supplies required to make its products, these increases could not generally be passed onto its customers due to supply contracts for fixed prices that did not permit such a pass-through of increased material costs.

The decline of overall sales in the automotive industry also created overcapacity in the automotive industry worldwide. This overcapacity further resulted in increased competition among suppliers, which in turn increased pressure on the Company to lower prices to remain competitive. In response to these competitive pressures, the Company retained Conway, MacKenzie & Dunleavy ("CM&D"), as its financial advisors, and with their assistance, developed and began to institute an aggressive program designed to improve operating performance and address the Company's liquidity concerns. Notwithstanding such efforts the Company continued to face liquidity constraints, and on January 3, 2008, were in default on a senior leverage covenant in the Revolving Credit Facility. In early January 2008, therefore, the Company began discussions with its Secured Lenders regarding its liquidity situation and the existing default. The Company also began negotiations with its Major Customers to secure their

agreement to "pull ahead" certain receivables and thus, make payments to the Company on shorter time frames than otherwise required under their particular contracts. These efforts were aimed at solving the Company's immediate liquidity crisis by securing for itself a forbearance agreement from the Secured Lenders that would permit the Company to stabilize itself and formulate a long term solution to its liquidity issues. Towards this end, the Company retained Lazard Frères & Co. LLC ("Lazard") as its investment bankers who, with CM&D, assisted the Company in investigating sources of debt or equity investment capital as necessary to support the Debtors' cash needs, negotiating with the Company's customers – including the OEMs – to secure more favorable payment terms, and exploring the marketability of certain segments of the Company's businesses.

As noted above, in response to certain competitive pressures, the Company negotiated with its Major Customers to secure agreements from customers to "pull ahead" and make payments to the Company on shorter time frames than otherwise required under their particular contracts. Nonetheless, by letters dated January 15 and 16, 2008, Chrysler notified Plastech that Chrysler believed that Plastech was in breach of certain agreements between Chrysler and Plastech. Chrysler stated that it reserved its rights in such letters, but did not terminate such contracts. Notwithstanding these notices, Chrysler subsequently entered into a second Financial Accommodation Agreement (the "Second FAA") with Plastech. Specifically, on January 22, 2008, the Company and the Major Customers, entered into the Second FAA, pursuant to which the Company's Major Customers that were parties to such agreement collectively agreed to pull ahead payments in the aggregate amount of approximately $40 million.

Notwithstanding the entry into the Second FAA, the Company continued to face a severe liquidity crisis in the last week of January 2008 as they continued to negotiate with their largest customers, and their Secured Lenders in hopes of reaching a resolution pursuant to which the Company would have sufficient financing and stability for an additional sixty (60) days to continue operating outside of chapter 11. By the evening of Thursday, January 31, 2008, the Company believed that it had reached the general terms of such an agreement, and anticipated finalizing the terms and documentation of such agreement over the following days. On the morning of February 1, 2008, the very day that the Company anticipated finalizing a further financial accommodation agreement with the Major Customers and securing a forebearance agreement with the Secured Lenders, Chrysler delivered a termination letter (the "Termination Letter") to the Company purporting to terminate all purchase orders and supply agreements with Plastech effective immediately.

Later that morning, without having given the Company the opportunity to respond, Chrysler filed a verified complaint (the "Chrysler State Court Complaint") and request for ex parte temporary restraining order against the Company in the Michigan Circuit Court for Wayne County (the "Wayne County Court"). The Wayne County Court entered a temporary restraining order (the "Temporary Restraining Order") that afternoon. The Temporary Restraining Order required, among other things, the Company immediately and without delay to account for and return possession of certain tooling allegedly owned or to be purchased by Chrysler and allow Chrysler and/or its authorized representatives immediate access to its facilities to inspect, inventory, account for, load, remove and transport the Chrysler tools, by force, if necessary. Later that afternoon, and within approximately eight (8) hours of sending the Termination Letter, employees and/or agents of Chrysler arrived at certain of the Company's plants, demanding

immediate access to the Company 's premises and immediate possession of the molds, dies, fixtures, and other items used by the Company during the sequencing process. In order to prevent any additional damage to the Company and its other customers as a result of Chrysler's actions, the Debtors were forced to commence these bankruptcy cases and thus, on the evening of February 1, 2008, the Debtors filed their respective chapter 11 petitions.

E. General Structure of the Plan

Contemporaneously with the filing of this Disclosure Statement, the Debtors filed the Plan. The Plan is the product of numerous events that have taken place since the Petition Date and negotiations among the Debtors and a number of creditors and creditor representatives, including the Major Customers, the Creditors' Committee, the Revolving Lenders, the First Lien Term Lenders, the Second Lien Term Lenders, and the Primary Shareholder regarding numerous sales, settlements and financing issues. The Plan provides for the orderly winddown and liquidation of the Debtors' remaining assets, following the consummation of the Sales and approval of the Sale-Related Settlements pursuant to which the Debtors sold substantially all of their businesses and operations.

Because the Debtors consist of nine (9) distinct legal entities that are being jointly administered, the Plan is structured as the winddown and liquidation of each separate legal entity. Thus, although styled as a "joint plan", the Plan consists of 9 separate liquidating plans, one for each of the Debtors. Consequently, except as otherwise expressly provided in the Plan and described in this Disclosure Statement, for purposes of voting on the Plan and receiving distributions under the Plan, votes will be tabulated separately for each of the Debtors with respect to each Debtor's Plan and distributions will be made separately to such classes. The only exception to the separate voting and distribution just noted is Class 7 General Unsecured Claims. As to that Class, the Debtors will seek authority under section 105 of the Bankruptcy Code to consolidate in one Class the Claims of Creditors who hold Unsecured Claims.

A list of the Debtors that are proponents of the Plan contained herein and the corresponding numbers of the respective Chapter 11 Cases is attached to the Plan as Exhibit A. Appendix B attached hereto identifies the Debtors' corporate structure as of the Petition Date.

F. Summary of Treatment of Claims and Interests Under the Plan

As noted above, the Plan constitutes a plan of liquidation for the Debtors. As contemplated by the Bankruptcy Code, DIP Facility Claims, 503(b)(9) Claims, Administrative Claims and Priority Tax Claims are not classified under the Plan. Allowed DIP Facility Claims, Allowed 503(b)(9) Claims and Allowed Administrative Claims are intended to be paid in full on the Effective Date of the Plan (or thereafter when they become Allowed), or, for ordinary course Administrative Claims, when such claims become due and, for tax claims, as contemplated in 11 U.S.C. § 1129(a)(9)(C). Allowed Priority Tax Claims are intended to receive (i) deferred Cash payments over a period not exceeding five (5) years after the date of assessment of such Allowed Priority Tax Claims in an aggregate principal amount equal to the Face Amount of such Allowed Priority Tax Claims, plus interest on the unpaid portion thereof at the Case Interest Rate from the Effective Date through the date of payment thereof or (ii) such other less favorable treatment as to which such Holder and the Debtors and/or the Liquidating Trustee shall have agreed upon in

writing. *See Appendix C to this Disclosure Statement for a breakdown of estimated Administrative and Priority Tax Claims by category.*

The Plan, though proposed jointly, constitutes a separate plan for each of the Debtors. Accordingly, the Plan separately treats Claims based on the individual Debtor(s) that are obligated for such Claims, except with respect to Class 7 General Unsecured Claims, which Class is treated as a single class for voting and distribution purposes. Thus, each of the Classes of Claims set forth herein will exist for each of the Subsidiary Debtors as well as PEPI.

The table below summarizes the classification and treatment of prepetition Claims and Interests under the Plan. The classification and treatment for all Classes are described in more detail in Article VIII.C.

The table below also contains an estimate of the percentage recoveries that the Debtors believe will ultimately be available to each Class of Claims. These estimates are based upon a number of assumptions, which may or may not prove to be accurate.

Summary of Claims and Interests Against and In Plastech Engineered Products, Inc.

Description and Amount of Claims or Interests	Summary of Treatment
Class 1: First Lien Term Loan Claims Estimated Aggregate Allowed Amount of Class 1 Claims: $_____. Estimated Aggregate Allowed Amount of Class 1 Deficiency Claims: $80 million	• **Impaired** • Holders of Class 1 Claims are entitled to vote to accept or reject the Plan. • Class 1 consists of Claims that arise under the Debtors' First Lien Term Loan. • In accordance with the orders approving the Interiors Sale and Exteriors Sale and the terms of the Sale-Related Settlements and the JCIM Operating Agreement, (i) the First Lien Term Lenders have received all consideration received in the Interiors Sale and the Exteriors Sale, and (ii) the Subscribing Term Lenders have received all equity interests that would otherwise have been distributed to Non-Subscribing First Lien Term Lenders. To the extent the First Lien Term Loan Claims are not fully satisfied thereby, the First Lien Term Lenders shall have Deficiency Claims in the amount of $80 million, which represents the outstanding balance of their First Lien Term Loan Claims, after deducting an estimated recovery on account of their credit bids, receipt of proceeds of the Residual Assets and the financing they have provided. Pursuant to the Committee Settlement, the First Lien Term Lenders have agreed to waive any right to receive, on account of their Deficiency Claim (or any other portion of their Second Lien Term Loan Claims) (i)

Description and Amount of Claims or Interests	Summary of Treatment
	any part of the First Lien Term Lender Contribution and (ii) any proceeds of Avoidance Actions, in each case, on account of such Deficiency Claims; such Deficiency Claims will accordingly be classified as Class 7 General Unsecured Claims, but will not be entitled to receive a Class 7 General Unsecured Claim Distribution on account of such Deficiency Claims, unless and until all Class 7 General Unsecured Claims are paid in full. • Class 1 Claims are Impaired and are, therefore, entitled to vote on the Plan. • Estimated Recovery: approximately____%
Class 2: Second Lien Term Loan Claims Estimated Aggregate Allowed Amount of Class 2 Claims: $_____. Estimated Aggregate Allowed Amount of Class 2 Deficiency Claims: $100 million	• **Impaired** • Holders of Class 2 Claims are entitled to vote to accept or reject the Plan. • Class 2 consists of Claims that arise under the Debtors' Second Lien Term Loan. • In accordance with the orders approving the Interiors Sale and Exteriors Sale and the terms of the Sale-Related Settlements and the JCIM Operating Agreement, (i) the Second Lien Term Lenders have received all consideration received in the Interiors Sale and the Exteriors Sale, and (ii) the Subscribing Term Lenders have received all equity interests that would otherwise have been distributed to Non-Subscribing Second Lien Term Lenders. To the extent the Second Lien Term Loan Claims are not fully satisfied thereby, the Second Lien Term Lenders shall have Deficiency Claims in the approximate aggregate amount of $100 million, which represents the outstanding balance of their Second Lien Term Loan Claims as of the Petition Date. Pursuant to the Committee Settlement, the Second Lien Term Lenders have agreed to waive any right to receive, on account of their Deficiency Claim (or any other portion of their Second Lien Term Loan Claims) (i) any part of the First Lien Term Lender Contribution and (ii) any proceeds of Avoidance Actions, in each case, on account of such Deficiency Claims; such Deficiency Claims will accordingly be classified as Class 7 General Unsecured Claims, but will not be entitled to receive a Class 7 General Unsecured Claim Distribution on account of such Deficiency Claims. Any Second Lien Term Loan Claims or Deficiency Claims of the Second Lien Term Lenders are subordinate to the

Description and Amount of Claims or Interests	Summary of Treatment
	First Lien Term Loan Claims and the Deficiency Claims of the First Lien Term Lenders. Accordingly, the Second Lien Term Lenders shall receive no further Distributions on account of their Second Lien Term Loan Claims or Deficiency Claims unless and until the Deficiency Claims of the First Lien Term Lenders are paid in full. • Class 2 Claims are Impaired and are, therefore, entitled to vote on the Plan. • Estimated Recovery: approximately 0%
Class 3: Secured Tool Vendor Claims Estimated Aggregate Allowed Amount of Class 3 Claims: $_____.	• **Unimpaired** • Class 3 consists of Secured Claims held by Tool Vendors which Claims are (a) secured by a Lien on property in which a Debtor's Estate has an interest or (b) subject to setoff under Bankruptcy Code section 553 and such right of setoff has been asserted by the holder of such right prior to the Confirmation Date in a properly filed motion for relief from the automatic stay, to the extent of the value of the Claimholder's interest in the applicable Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to Bankruptcy Code section 506(a) or, in the case of setoff, pursuant to Bankruptcy Code section 553. • Pursuant to the Tooling Order, Holders of Allowed Secured Tool Vendor Claims who elect to proceed under the Tooling Order will receive in full satisfaction, settlement, release and discharge of and in exchange for such Allowed Secured Tool Vendor Claims a Distribution in accordance with the procedures set forth in the Tooling Order, which procedures provide for: (i) payment to the affected Tool Vendor, (ii) payment into escrow of appropriate amounts by the affected Customer (as defined in the Tooling Order), (iii) return of the Tooling securing the Secured Tool Vendor Claim, or (iv) such other treatment as provided in the Tooling Order. Except as otherwise provided in the Tooling Order, any Holder of a Secured Tool Vendor Claim shall retain its Lien in the Tooling or the proceeds of the Tooling (by payment into escrow of an appropriate amount in accordance with the Tooling Order) to the same extent and with the same priority as such Lien held as of the Petition Date until such time as (A) the Holder of such Secured Tool Vendor Claim (i) has been

Description and Amount of Claims or Interests	Summary of Treatment
	paid Cash equal to the value of its Allowed Secured Tool Vendor Claim, (ii) has received a return of the Tooling securing the Secured Tool Vendor Claim or (iii) has been afforded such other treatment as provided in the Tooling Order; or (B) such purported Lien has been determined by an order of the Bankruptcy Court to be invalid or otherwise avoidable. A Holder of an Allowed Secured Tool Vendor Claim who elects not to proceed under the Tooling Order will be entitled either to (i) the return of the Tooling securing such Secured Tool Vendor Claim or (ii) the right to pursue any other contractual, legal or equitable remedy or avenue such Tool Vendor may have concerning the Tooling. • Class 3 Claims are Unimpaired and are, therefore, not entitled to vote on the Plan. • Estimated Recovery: 100%
Class 4: Secured Tax Claims Estimated Aggregate Allowed Amount of Class 4 Claims: $_____.	• **Unimpaired** • Class 4 consists of Claims of governmental units for the payment of a tax assessed against property of the Estate, which Claims are secured by a first Lien on such property. • On, or as soon as reasonably practicable after the later of (a) the Initial Distribution Date or (b) the Distribution Date immediately following the date on which a Secured Tax Claim becomes an Allowed Secured Tax Claim, the Holder of such Allowed Secured Tax Claim shall receive from the Liquidating Trustee, in full satisfaction, settlement, release and discharge of and in exchange for, such Allowed Secured Tax Claim, (i) Cash equal to the value of its Allowed Secured Tax Claim and/or (ii) the Collateral securing the Secured Tax Claim, or (iii) such other less favorable treatment as to which the Debtors and/or the Liquidating Trustee and such Holder shall have agreed upon in writing. Any Holder of a Secured Tax Claim shall retain its Lien in the Collateral or the proceeds of the Collateral (to the extent that such Collateral is sold by the Debtors or the Liquidating Trustee free and clear of such Lien) to the same extent and with the same priority as such Lien held as of the Petition Date until such time as (A) the Holder of such Secured Tax Claim (i) has been paid Cash equal to the value of its Allowed Secured Tax Claim and/or (ii) has received a return of the Collateral securing the Secured Tax Claim, or (iii) has been afforded such

Description and Amount of Claims or Interests	Summary of Treatment
	other less favorable treatment as to which the Liquidating Trustee and such Holder shall have agreed upon in writing; or (B) such purported Lien has been determined by an order of the Bankruptcy Court to be invalid or otherwise avoidable. To the extent that a Secured Tax Claim exceeds the value of the interest of the Estate in the property that secures the Claim, such Claim shall be deemed Disallowed pursuant to Bankruptcy Code section 502(b)(3). • Class 4 Claims are Unimpaired and are, therefore, not entitled to vote on the Plan. • Estimated Recovery: 100%
Class 5: Miscellaneous Secured Claims Estimated Aggregate Allowed Amount of Class 5 Claims: _____ Estimated Aggregate Allowed Amount of Class 5 Deficiency Claims: _____	• **Impaired** • Holders of Class 5 Claims are entitled to vote to accept or reject the Plan. • Class 5 consists of Claims, other than Secured Tax Claims and Secured Tool Vendor Claims, that are (a) secured by a Lien on property in which a Debtor's Estate has an interest or (b) subject to setoff under Bankruptcy Code section 553 and such right of setoff has been asserted by the holder of such right prior to the Confirmation Date in a properly filed motion for relief from the automatic stay, to the extent of the value of the Claimholder's interest in the applicable Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to Bankruptcy Code section 506(a) or, in the case of setoff, pursuant to Bankruptcy Code section 553. • On, or as soon as reasonably practicable after the later of (a) the Initial Distribution Date or (b) the Distribution Date following the date on which a Miscellaneous Secured Claim becomes an Allowed Miscellaneous Secured Claim, a Holder of an Allowed Miscellaneous Secured Claim shall receive from the Liquidating Trustee, in full satisfaction, settlement, release, and discharge of and in exchange for, such Allowed Miscellaneous Secured Claim, (i) Cash equal to the value of its Allowed Miscellaneous Secured Claim and/or (ii) the Collateral securing the Miscellaneous Secured Claim, or (iii) such other less favorable treatment as to which such Holder and the Debtors and/or the Liquidating Trustee shall have agreed upon in writing. Any Holder of a Miscellaneous Secured

Description and Amount of Claims or Interests	Summary of Treatment
	Claim shall retain its Lien in the Collateral or the proceeds of the Collateral (to the extent that such Collateral is sold by the Debtors or the Liquidating Trustee free and clear of such Lien) to the same extent and with the same priority as such Lien held as of the Petition Date until such time as (A) the Holder of such Miscellaneous Secured Claim (i) has been paid Cash equal to the value of its Allowed Miscellaneous Secured Claim and/or (ii) has received a return of the Collateral securing the Miscellaneous Secured Claim, or (iii) has been afforded such other less favorable treatment as to which such Holder and the Liquidating Trustee shall have agreed upon in writing; or (B) such purported Lien has been determined by an order of the Bankruptcy Court to be invalid or otherwise avoidable. To the extent that the Holder of an Allowed Miscellaneous Secured Claim also holds an Unsecured Claim pursuant to Bankruptcy Code section 506(a) on account of such Allowed Miscellaneous Secured Claim, such Unsecured Claim constitutes a Deficiency Claim that will be separately classified as a Class 7 General Unsecured Claim. • Class 5 Claims are Impaired and are, therefore, entitled to vote on the Plan. • Estimated Recovery: approximately____%
Class 6: Non-Tax Priority Claims Estimated Aggregate Allowed Amount of Class 4 Claims: _____	• **Unimpaired** • Class 6 consists of Claims entitled to priority in payment pursuant to Bankruptcy Code section 507(a), other than Administrative Claims, Priority Tax Claims or 503(b)(9) Claims. • On or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date or (ii) the Distribution Date immediately following the date such Non-Tax Priority Claim becomes an Allowed Non-Tax Priority Claim, the Holder of such Allowed Non-Tax Priority Claim shall receive from the Liquidating Trustee, in full satisfaction, settlement, release and discharge of and in exchange for such Allowed Non-Tax Priority Claim, (i) Cash equal to the unpaid portion of the Face Amount of such Allowed Non-Tax Priority Claim or (ii) such other less favorable treatment as to which such Holder and the Liquidating Trustee shall have agreed upon in writing. • Class 6 Claims are Unimpaired and are,

Description and Amount of Claims or Interests	Summary of Treatment
	therefore, not entitled to vote on the Plan. • Estimated Recovery: 100%

Description and Amount of Claims or Interests	Summary of Treatment
Class 7: General Unsecured Claims Estimated Aggregate Amount of Class 7 Claims: ___ **[In excess of $XXX million]**	• **Impaired** • Class 7 consists of that are not DIP Facility Claims, 503(b)(9) Claims, Administrative Claims, Priority Tax Claims, Secured Tax Claims, First Lien Term Loan Claims, Second Lien Term Loan Claims, Secured Tool Vendor Claims, Miscellaneous Secured Claims, Non-Tax Priority Claims or Professional Fee Claims, and are not Intercompany Claims, Subordinated 510(c) Claims or Subordinated 510(b) Claims, but which term includes, but is not limited to, a Wachovia Swap Termination Claim. • On, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date, or (ii) the Distribution Date immediately following the date a General Unsecured Claim becomes an Allowed General Unsecured Claim, the Holder of such Allowed General Unsecured Claim will, in full satisfaction, settlement, release and discharge of and in exchange for such Allowed General Unsecured Claim, receive from the Liquidating Trustee, its Pro Rata share of the Class 7 Distribution Amount. • Class 7 Claims are Impaired and are, therefore, entitled to vote on the Plan. • Estimated Recovery: approximately____%
Class 8: Intercompany Claims Estimated Recovery: 0%	• **Impaired** • Class 8 consists of (i) any Claim held by a Debtor against another Debtor, including, without limitation: (a) any account reflecting intercompany book entries by a Debtor with respect to another Debtor, (b) any Claim not reflected in such book entries that is held by a Debtor against another Debtor, (c) any derivative Claim asserted by or on behalf of one Debtor against another Debtor and (d) any Claim asserted by one Debtor against another as a result of a payment made by the claimant Debtor pursuant to a guarantee or similar instrument; and (ii) any Subsidiary Interests. • On the Effective Date, all Class 8 Claims shall be cancelled as worthless, and Holders of Intercompany Claims shall not be entitled to, and shall not receive or retain any property under the Plan on account of such Intercompany Claims. To the extent that such Claims are not eliminated, each Debtor holding an Intercompany Claim shall be entitled to the same treatment as other Claims with the same status and/or priority.

Description and Amount of Claims or Interests	Summary of Treatment
	• Class 8 is deemed to have rejected the Plan and, therefore, Holders of Intercompany Claims are not entitled to vote to accept or reject the Plan.
Class 9: Subordinated 510(c) Claims Estimated Recovery: 0%	• **Impaired** • Class 9 consists of Claims (i) subordinated pursuant to Bankruptcy Code section 510(c); or (ii) for punitive or exemplary damages or for a fine or penalty, to the extent permitted by applicable law. • On the Effective Date, Holders of Subordinated 510(c) Claims shall not be entitled to, and shall not receive or retain any property under the Plan on account of such Subordinated 510(c) Claims. • Class 9 is deemed to have rejected the Plan and, therefore, Holders of Subordinated 510(c) Claims are not entitled to vote to accept or reject the Plan.
Class 10: Subordinated 510(b) Claims Estimated Recovery: 0%	• **Impaired** • Class 10 consists of Claims subordinated pursuant to Bankruptcy Code section 510(b), which shall include any Claim arising from the rescission of a purchase or sale of any Old Common Stock, any Claim for damages arising from the purchase or sale of any Old Common Stock, or any Claim for reimbursement, contribution or indemnification on account of any such Claim. • On the Effective Date, Holders of Subordinated 510(b) Claims shall not be entitled to, and shall not receive or retain any property under the Plan on account of such Subordinated 510(b) Claims. • Class 10 is deemed to have rejected the Plan and, therefore, Holders of Subordinated 510(b) Claims are not entitled to vote to accept or reject the Plan.
Class 11: Old Equity Interests Estimated Recovery: 0%	• **Impaired** • Class 11 consists of legal, equitable, contractual, and other rights of any Person with respect to any capital stock or other ownership interest in any Debtor, whether or not transferable, and any option, warrant or right to purchase, sell, or subscribe for an ownership interest or other equity security in any Debtor. • On the Effective Date, the Old Equity Interests, including but not limited to the Old Common Stock, shall be canceled and each holder thereof shall not be entitled to, and shall not receive or retain any property or

Description and Amount of Claims or Interests	Summary of Treatment
	interest in property on account of, such Interests. • Class 11 is deemed to have rejected the Plan and, therefore, Holders of Old Equity Interests are not entitled to vote to accept or reject the Plan.

ALTHOUGH THE DEBTORS AND THE CREDITORS' COMMITTEE BELIEVE THAT THE ESTIMATED PERCENTAGE RECOVERIES ARE REASONABLE AND WITHIN THE RANGE OF ASSUMED RECOVERY, THERE IS NO ASSURANCE THAT THE ACTUAL AMOUNTS OF ALLOWED CLAIMS IN EACH CLASS WILL NOT MATERIALLY EXCEED THE ESTIMATED AGGREGATE AMOUNTS SHOWN IN THE TABLE ABOVE. The actual recoveries under the Plan by the Debtors' Creditors will be dependent upon a variety of factors including, but not limited to, whether, and in what amount and with what priority, contingent claims against the Debtors become non-contingent and fixed; and whether, and to what extent, Disputed Claims are resolved in favor of the Debtors. Accordingly, no representation can be or is being made with respect to whether each Estimated Percentage Recovery shown in the table above will be realized by the Holder of an Allowed Claim or Allowed Interest in any particular Class.

In the view of the Debtors and the Creditors' Committee, the Plan provides the Holders of Claims with the best recovery possible. Accordingly, the Debtors believe that the Plan is in the best interests of such Holders and strongly recommend that all such Holders entitled to vote, vote to accept the Plan.

TABLE OF CONTENTS

Page

I. INTRODUCTION 1

II. PLAN VOTING INSTRUCTIONS AND PROCEDURES 2

A. Notice to Holders of Claims and Interests 2

B. Holders of Claims Entitled to Vote 3

C. Solicitation Package 4

D. Voting Procedures, Ballots and Voting Deadline 4

E. Withdrawal of Ballots; Revocation; Changes to Vote 5

F. Parties in Interest Entitled to Vote 6

G. Classes Impaired Under the Plan 7

H. Waivers of Defects and Other Irregularities 7

I. Confirmation Hearing and Deadline for Objections to Confirmation 7

III. HISTORY, OPERATIONS, AND STRUCTURE OF THE DEBTORS 8

A. The Company 8

B. Employees and Facilities 9

IV. PREPETITION CAPITAL STRUCTURE OF THE DEBTORS 9

A. Secured Prepetition Indebtedness 9

1. Revolving Credit Facility 9

2. First Lien Term Loan 9

3. Second Lien Term Loan 9

B. Equity 10

C. Stock-Based Compensation 10

V. CORPORATE STRUCTURE OF THE DEBTORS 11

A. Current Corporate Structure 11

B. Board of Directors and Executive Officers of PEPI 11

VI. EVENTS LEADING TO COMMENCEMENT OF THE CHAPTER 11 CASES 13

A. Events Leading to Bankruptcy Filings 13

B. Chapter 11 Filings Necessary 14

VII. CHAPTER 11 CASES 14
A. Continuation of Business; Stay of Litigation 14
B. First Day Orders 15
C. Debtor in Possession Financing and Revolving Lenders' Settlement 16
D. Litigation with Chrysler 18
E. JCI Motion to Compel Assumption or Rejection 19
F. Appointment of Creditors' Committee 19
G. Other Material Relief Obtained During the Chapter 11 Cases 20
1. Retention of Debtors' Professionals 20
2. Extension of Time to Assume or Reject Non-Residential Real Property Leases 20
3. Rejection of Non-Residential Real Property Leases 20
4. Rejection of Certain Leases and Executory Contracts 21
5. Extension of Exclusive Periods 22
6. Reclamation Claims Process 23
7. Continued Funding and Liquidation of Canadian Operations 24
H. Summary of Claims Process and Bar Dates 24
1. Schedules and Statements of Financial Affairs 24
2. 503(b)(9) Claims Bar Date 25
3. Claims Bar Date and Proofs of Claim 25
I. The Sales 25
1. The Bid Procedures and Sale Motion 25
2. The Non-Residential Real Property Lease and Executory Contract Cure Motions 28
3. The Tax Claims Motion 28
J. The Sale-Related Settlements 28
1. The Committee Settlement 29
2. The Brown Settlement 29
3. The T-Ink Settlement 30
4. The Term Lender Settlement 31
5. Funding Agreement 33
6. The Intercreditor Settlement 35

VIII. SUMMARY OF THE PLAN OF LIQUIDATION 35
A. Purpose and Effect of the Plan 35
B. Limited Substantive Consolidation of Class 7 Claims 36
1. DIP Collateral and Waiver of Deficiency Claim 36
2. Term Lender Parties' Collateral and Subordination of Entitlement to Certain Recoveries by Term Lender Parties 36
C. Classification and Treatment of Claims and Interests 37
1. Unclassified Claims 37
2. Impaired Voting Claims and Unimpaired Non-Voting Claims 40
3. Impaired Non-Voting Claims 44
4. Impaired Interests 45
5. Special Provision Regarding Unimpaired Claims 46
6. Allowed Claims 46
7. Special Provisions Regarding Insured Claims 46
D. Acceptance Or Rejection Of The Plan 47
1. Impaired Classes of Claims Entitled to Vote 47
2. Acceptance by an Impaired Class 47
3. Presumed Acceptances by Unimpaired Classes 47
4. Classes Deemed to Reject Plan 47
5. Summary of Classes Voting on the Plan 47
6. Confirmation Pursuant to Bankruptcy Code Section 1129(b) 47
E. Means For Implementation Of The Plan 48
1. Sale and Sale-Related Settlements 48
2. Corporate Action 48
F. Sources For Plan Distribution 50
G. Professional Fees; Funding of Reserves 50
1. Professional Fee Reserve 50
2. Secured Tax Reserve 51
3. Lease Reserve 51
4. Priority Tax Reserve 52
5. 503(b)(9) Claims Reserve 53
6. Administrative Claims Reserve 53
7. Non-Tax Priority Claims Reserve 54

8. Liquidation Reserve 54
9. Liquidating Trust Operating Reserve 55
H. Reconstitution of Creditors' Committee as Post-Effective Date Committee 55
I. Liquidating Trust 56
1. Establishment of the Liquidating Trust 56
2. Trust Distributions 56
3. Duration of Trust 57
4. Liquidation of Avoidance Actions 57
5. Liquidating Trustee 57
6. No Revesting Of Assets in the Debtors 60
7. Accounts And Reserves 61
8. Release Of Liens 61
9. Exemption From Certain Transfer Taxes 61
10. Preservation and Settlement Of Causes Of Action and Avoidance Actions 61
11. Effectuating Documents; Further Transactions 62
12. Preservation and Sale of Residual Assets 62
J. Provisions Governing Distributions 62
1. Distributions for Claims Allowed as of the Effective Date 62
2. Liquidating Trustee as Disbursing Agent 63
3. Delivery of Distributions and Undeliverable or Unclaimed Distributions 63
4. Prepayment 64
5. Means of Cash Payment 64
6. Interest on Claims 64
7. Withholding and Reporting Requirements 65
8. Setoffs 65
9. Procedure for Treating and Resolving Disputed, Contingent and/or Unliquidated Claims 65
10. Fractional Dollars 67
11. Allocation of Plan Distributions Between Principal and Interest 67
12. Distribution Record Date 67
K. Treatment Of Executory Contracts And Unexpired Leases 68

1. Rejected (Non-Union) Contracts And Leases 68
2. Bar To Rejection Damages 68
3. Assumed And Assigned (Non-Union) Contracts And Leases 68
4. Non-Assumed Union Contracts and Leases 68
L. Confirmation And Consummation Of The Plan 69
1. Conditions To Confirmation 69
2. Waiver Of Conditions 70
3. Consequences Of Non-Occurrence Of Effective Date 70
M. Allowance And Payment Of Certain Administrative Claims 70
1. Professional Fee Claims 70
2. Substantial Contribution Compensation and Expenses Bar Date 71
3. Other Administrative Claims 71
N. Effect Of Plan Confirmation 71
1. Binding Effect 71
2. Discharge of the Debtors 71
3. Releases by the Debtors 71
4. Releases by Term Lender Parties 73
5. Injunction 73
6. Exculpation and Limitation of Liability 73
7. Term of Bankruptcy Injunction or Stays 74
8. Compromises and Settlements 74
9. Indemnification Obligations 74
10. Settlement of Claims and Controversies 74
O. Retention Of Jurisdiction 75
IX. CERTAIN RISK FACTORS TO BE CONSIDERED 78
A. General Considerations 78
B. Certain Bankruptcy Considerations 78
C. Administrative and Priority Claims 78
D. Risk of Administrative Insolvency Due to Administrative Claims 79
E. Potential Governmental Claims Relating to Employee Benefits 79
F. Certain Tax Considerations 80

X. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN 80
A. Consequences to the Debtors 82
B. Treatment of Transfers to and Distributions by the Liquidating Trust 82
C. Treatment of Claimholders that Participated in the Sales 83
D. Allocation of Plan Distributions between Principal and Interest 83
E. Information Reporting and Backup Withholding 84
F. Importance of Obtaining Professional Tax Assistance 84
XI. FEASIBILITY OF THE PLAN AND BEST INTERESTS OF CREDITORS 85
A. Feasibility of the Plan 85
B. Acceptance of the Plan 85
C. Best Interests Test 85
D. Liquidation Analysis 86
E. Application of the "Best Interests" of Creditors Test to the Liquidation Analysis and the Plan 87
F. Confirmation Without Acceptance of All Impaired Classes: The "Cramdown" Alternative 87
XII. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN 88
A. Alternative Plan(s) of Liquidation 88
B. Liquidation under Chapter 7 88
C. Dismissal of the Chapter 11 Cases 89
XIII. THE SOLICITATION AND VOTING PROCEDURE 89
A. Parties in Interest Entitled to Vote 89
B. Classes Impaired under the Plan 89
C. Waivers of Defects, Irregularities, Etc. 90
D. Withdrawal of Ballots; Revocation 90
E. Further Information; Additional Copies 91
F. Internet Access to Bankruptcy Court Documents 91
XIV. RECOMMENDATION AND CONCLUSION 92

APPENDICES

A. Joint Plan of Liquidation A-1

B. Debtors' Corporate Structure as of the Petition Date B-1

C. Liquidation Analysis C-1

DISCLOSURE STATEMENT WITH RESPECT TO JOINT PLAN OF LIQUIDATION PROPOSED BY PLASTECH ENGINEERED PRODUCTS, INC., ITS SUBSIDIARY DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

I. INTRODUCTION

The Debtors submit this Disclosure Statement pursuant to Bankruptcy Code section 1125, for use in the solicitation of votes on the Plan. A copy of the Plan is annexed as Appendix A of this Disclosure Statement.

This Disclosure Statement sets forth certain information regarding the Debtors' prepetition operating and financial history, the need to seek chapter 11 protection, significant events that have occurred during the Chapter 11 Cases, the Sales, which constituted sales of substantially all of the Debtors' businesses and assets, the Sale-Related Settlements, and the winddown and further liquidation of the Debtors' remaining assets. This Disclosure Statement also describes terms and provisions of the Plan, certain effects of Confirmation of the Plan, and the manner in which Distributions will be made under the Plan. In addition, this Disclosure Statement describes the confirmation process and the voting procedures that Holders of Claims entitled to vote under the Plan must follow for their votes to be counted.

The Plan consists of nine (9) separate liquidating plans, one for each of the Debtors. Consequently, except as otherwise expressly provided in the Plan and described in this Disclosure Statement, for purposes of voting on the Plan and receiving distributions under the Plan, votes will be tabulated separately for each of the Debtors with respect to each Debtor's Plan and Distributions will be made separately to such classes. The only exception to the separate voting and Distribution just noted is Class 7 General Unsecured Claims. As to that Class, the Debtors will seek authority under section 105 of the Bankruptcy Code to consolidate in one Class the Claims of Creditors who hold Unsecured Claims. A list of the Debtors that are proponents of the Plan contained herein and the corresponding numbers of the respective Chapter 11 Cases is attached to the Plan as Exhibit A.

Except as otherwise provided herein, capitalized terms not otherwise defined in this Disclosure Statement have the meanings ascribed to them in the Plan. Unless otherwise noted herein, all dollar amounts provided in this Disclosure Statement and in the Plan are given in United States dollars.

FOR A DESCRIPTION OF THE PLAN AND VARIOUS RISKS AND OTHER FACTORS PERTAINING TO THE PLAN AS IT RELATES TO CLAIMS AGAINST AND INTERESTS IN THE DEBTORS, PLEASE SEE ARTICLES VIII AND IX.

THIS DISCLOSURE STATEMENT CONTAINS SUMMARIES OF CERTAIN PROVISIONS OF THE PLAN, CERTAIN DOCUMENTS RELATED TO THE PLAN, CERTAIN EVENTS IN THE CHAPTER 11 CASES AND CERTAIN FINANCIAL INFORMATION. ALTHOUGH THE DEBTORS BELIEVE THAT SUCH SUMMARIES ARE FAIR AND ACCURATE, SUCH SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE FULL TEXT OF SUCH DOCUMENTS. FACTUAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN PROVIDED BY THE

DEBTORS' MANAGEMENT, EXCEPT WHERE OTHERWISE SPECIFICALLY NOTED. THE DEBTORS DO NOT WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED HEREIN, INCLUDING FINANCIAL INFORMATION, IS WITHOUT ANY INACCURACY OR OMISSION.

AS TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND OTHER ACTIONS OR THREATENED ACTIONS, THIS DISCLOSURE STATEMENT SHALL NOT CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, STIPULATION OR WAIVER, BUT RATHER AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS PURSUANT TO RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND OTHER APPLICABLE EVIDENTIARY RULES. THIS DISCLOSURE STATEMENT SHALL NOT BE ADMISSIBLE IN ANY NON-BANKRUPTCY PROCEEDING NOR SHALL IT BE CONSTRUED TO BE CONCLUSIVE ADVICE ON THE TAX, SECURITIES OR OTHER LEGAL EFFECTS OF THE PLAN AS TO HOLDERS OF CLAIMS AGAINST, OR EQUITY INTERESTS IN, PLASTECH ENGINEERED PRODUCTS INC. OR ANY OF ITS SUBSIDIARY DEBTORS AND DEBTORS IN POSSESSION IN THESE CASES.

THE DEBTORS AND THE CREDITORS' COMMITTEE BELIEVE THAT THE PLAN WILL ENABLE THE DEBTORS TO ACCOMPLISH THE OBJECTIVES OF CHAPTER 11 AND THAT ACCEPTANCE OF THE PLAN IS IN THE BEST INTERESTS OF THE DEBTORS AND THE HOLDERS OF ALL CLAIMS. ACCORDINGLY, THE DEBTORS AND THE CREDITORS' COMMITTEE URGE HOLDERS OF CLAIMS TO VOTE TO ACCEPT THE PLAN.

FOR FURTHER INFORMATION AND INSTRUCTION ON VOTING TO ACCEPT OR REJECT THE PLAN, SEE ARTICLE XIII OF THE DISCLOSURE STATEMENT, ENTITLED "THE SOLICITATION AND VOTING PROCEDURE."

II. PLAN VOTING INSTRUCTIONS AND PROCEDURES

A. Notice to Holders of Claims and Interests

This Disclosure Statement will be transmitted to Holders of Claims that are entitled to vote on the Plan. A discussion and listing of those Holders of Claims that are entitled to vote on the Plan and those Holders of Claims that are not entitled to vote on the Plan is provided herein. The primary purpose of this Disclosure Statement is to provide adequate information to enable such Claimholders to make a reasonably informed decision with respect to the Plan prior to exercising their right to vote to accept or reject the Plan.

The Bankruptcy Court has been asked to approve this Disclosure Statement as containing information of a kind and in sufficient and adequate detail to enable such Claimholders to make an informed judgment with respect to acceptance or rejection of the Plan. THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT (ASSUMING SUCH APPROVAL IS OBTAINED) DOES NOT CONSTITUTE EITHER A GUARANTY OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN, OR AN ENDORSEMENT OF THE PLAN BY THE BANKRUPTCY COURT.

WHEN AND IF CONFIRMED BY THE BANKRUPTCY COURT, THE PLAN WILL BIND ALL HOLDERS OF CLAIMS AGAINST AND INTERESTS IN THE DEBTORS, WHETHER OR NOT SUCH HOLDERS ARE ENTITLED TO VOTE OR DID VOTE ON THE PLAN AND WHETHER OR NOT HOLDERS RECEIVE OR RETAIN ANY DISTRIBUTIONS OR PROPERTY UNDER THE PLAN. THUS, YOU ARE ENCOURAGED TO READ THE PLAN AND THIS DISCLOSURE STATEMENT CAREFULLY. IN THAT REGARD, ALL HOLDERS OF IMPAIRED CLAIMS WHO ARE ENTITLED TO VOTE ARE ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND ITS APPENDICES CAREFULLY AND IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. This Disclosure Statement contains important information about the Plan, the Debtors' businesses and operations, considerations pertinent to acceptance or rejection of the Plan and developments concerning the Chapter 11 Cases.

THIS DISCLOSURE STATEMENT IS THE ONLY DOCUMENT TO BE USED IN CONNECTION WITH THE SOLICITATION OF VOTES ON THE PLAN. No solicitation of votes may be made except after the distribution of this Disclosure Statement, and no person has been authorized to distribute any information concerning the Debtors other than the information contained herein.

CERTAIN OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS BY ITS NATURE FORWARD LOOKING AND CONTAINS ESTIMATES AND ASSUMPTIONS THAT MAY BE MATERIALLY DIFFERENT FROM ACTUAL, FUTURE RESULTS. Except as otherwise specifically and expressly stated herein, this Disclosure Statement does not reflect any events that may occur subsequent to the date hereof and that may have a material impact on the information contained in this Disclosure Statement. The Debtors do not anticipate that any amendments or supplements to this Disclosure Statement will be distributed to reflect such occurrences. Accordingly, the delivery of this Disclosure Statement shall not under any circumstance imply that the information herein is correct or complete as of any time *subsequent* to the date hereof.

THE FINANCIAL INFORMATION CONTAINED HEREIN HAS NOT BEEN AUDITED BY A CERTIFIED PUBLIC ACCOUNTING FIRM AND HAS NOT BEEN PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

B. Holders of Claims Entitled to Vote

Pursuant to the provisions of the Bankruptcy Code, only holders of allowed claims or equity interests in classes of claims or equity interests that are impaired *and* that are in a class that will receive a distribution under a proposed chapter 11 plan are entitled to vote to accept or reject a proposed chapter 11 plan. Classes of claims or equity interests in which the holders of claims or equity interests are unimpaired under a chapter 11 plan are deemed to have accepted the plan and are not entitled to vote to accept or reject the plan. Classes of claims or interests that receive no distribution on account of their claims or interests are deemed to have rejected the plan and are not entitled to vote to accept or reject the plan. In that regard, because no Distributions will be made to Holders of (i) Class 8 Intercompany Claims, (ii) Class 9 Subordinated 510(c) Claims, (iii) Class 10 Subordinated 510(b) Claims and (iv) Class 11 Old

Equity Interests, Holders of such Claims and Interests are deemed to have rejected the Plan and are not entitled to vote to accept or reject the Plan. Also, because only Holders of (i) Class 1 First Lien Term Loan Claims, (ii) Class 2 Second Lien Term Loan Claims, (iii) Class 5 Miscellaneous Secured Claims and (iv) Class 7 General Unsecured Claims will receive a Distribution under the Plan, which Distribution is expected to be less than a full recovery, such Holders are entitled to vote on the Plan.

The Bankruptcy Code defines "acceptance" of a plan by a class of claims as acceptance by creditors in that class that hold at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the claims that cast ballots for acceptance or rejection of the plan. Acceptance of a plan by a class of interests requires acceptance by at least two-thirds (2/3) of the number of shares in such class that cast ballots for acceptance or rejection of the plan. For a more detailed description of the requirements for confirmation of the Plan, see Article XI of this Disclosure Statement entitled, "Feasibility of the Plan and Best Interests of Creditors".

Bankruptcy Code section 1129(b) permits the confirmation of a plan notwithstanding the fact that one or more impaired classes of claims or interests has not accepted the plan. Under that section, a plan may be confirmed by a bankruptcy court if it does not "discriminate unfairly" and is "fair and equitable" with respect to each class that has not voted to accept the Plan. For a more detailed description of the requirements for confirmation of a non-consensual plan, see Article XI.F of this Disclosure Statement entitled, "Confirmation Without Acceptance of All Impaired Classes: the 'Cramdown' Alternative."

C. Solicitation Package

Accompanying this Disclosure Statement are copies of (1) the Plan; (2) the notice of, among other things, the time for submitting Ballots to accept or reject the Plan, the date, time and place of the hearing to consider Confirmation of the Plan and related matters and the time for filing objections to confirmation of the Plan (the "Confirmation Hearing Notice"); and (3) if you are the Holder of Claim(s) entitled to vote on the Plan, one or more Ballots (and return envelopes) to be used by you in voting to accept or reject the Plan.

The Confirmation Hearing Notice sets forth in detail, among other things, procedures governing voting deadlines and objection deadlines with respect to the Plan and confirmation of the Plan. The Confirmation Hearing Notice and the instructions attached to the Ballot should be read in connection with this section of the Disclosure Statement.

D. Voting Procedures, Ballots and Voting Deadline

If you are entitled to vote to accept or reject the Plan, a Ballot is enclosed for the purpose of voting on the Plan. After carefully reviewing the Plan, this Disclosure Statement and the detailed instructions accompanying your Ballot, please indicate your acceptance or rejection of the Plan by voting in favor of or against the Plan on the enclosed Ballot. You must complete and sign your original Ballot (copies will not be accepted) and return it in the envelope provided.

Each Ballot has been coded to reflect the Class of Claims it represents. Accordingly, in voting to accept or reject the Plan, you must use only the coded Ballot or Ballots sent to you with this Disclosure Statement.

IN ORDER FOR YOUR VOTE TO BE COUNTED, YOUR BALLOT MUST BE PROPERLY COMPLETED AS SET FORTH ABOVE AND IN ACCORDANCE WITH THE VOTING INSTRUCTIONS ON THE BALLOT AND RECEIVED NO LATER THAN _____, 2008 AT 4:00 P.M. (EASTERN TIME) (THE "VOTING DEADLINE") BY DONLIN RECANO & COMPANY, INC. (THE "VOTING AGENT"). DO NOT RETURN ANY STOCK CERTIFICATES OR DEBT INSTRUMENTS WITH YOUR BALLOT.

If you have any questions about (i) the procedure for voting your Claim or with respect to the packet of materials that you have received or (ii) the amount of your Claim, or if you wish to obtain, at your own expense, unless otherwise specifically required by Bankruptcy Rule 3017(d), an additional copy of the Plan, this Disclosure Statement, or any appendices or exhibits to such documents, please contact:

Plastech Engineered Products, Inc., et al.
c/o Donlin, Recano & Company, Inc., as Agent for the United States Bankruptcy Court
P.O. Box 899, Madison Square Station
New York, NY 10010

Or (by Hand-Delivery or Overnight Courier)

Donlin, Recano & Company, Inc.
as Agent for the United States Bankruptcy Court
Re: Plastech Engineered Products, Inc., et al., Claims Processing
419 Park Avenue South, Suite 1206
New York, NY 10016

Telephone: (212) 771-1128

E. Withdrawal of Ballots; Revocation; Changes to Vote

Any party who has delivered a valid Ballot for the acceptance or rejection of the Plan may withdraw such acceptance or rejection by delivering a written notice of withdrawal to the Voting Agent at any time prior to the Voting Deadline. To be valid, a notice of withdrawal must (i) contain the description of the Claim(s) to which it relates and the aggregate principal amount represented by such Claim(s), (ii) be signed by the withdrawing party in the same manner as the Ballot being withdrawn, (iii) contain a certification that the withdrawing party owns the Claim(s) and possesses the right to withdraw the vote sought to be withdrawn and (iv) be received by the Voting Agent in a timely manner at the address set forth below. The Debtors intend to consult with the Voting Agent to determine whether any withdrawals of Ballots were received and whether the requisite acceptances of the Plan have been received. As stated above, the Debtors expressly reserve the absolute right to contest the validity of any such withdrawals of Ballots. Unless otherwise directed by the Court, a purported notice of withdrawal of Ballots that is not received in a timely manner by the Voting Agent will not be effective to withdraw a previously cast Ballot.

Any party who previously submitted to the Voting Agent prior to the Voting Deadline a properly completed Ballot may revoke such Ballot and change her, his or its vote by submitting to the Voting Agent prior to the Voting Deadline a subsequent properly completed Ballot for acceptance or rejection of the Plan. If more than one timely, properly completed Ballot is received, only the Ballot that bears the latest date will be counted for purposes of determining whether the requisite acceptances of the Plan have been received.

F. Parties in Interest Entitled to Vote

Under Bankruptcy Code section 1124, a class of claims or interests is deemed to be "impaired" under a plan unless (i) the plan leaves unaltered the legal, equitable and contractual rights to which such claim or interest entitled the holder thereof or (ii) notwithstanding any legal right to an accelerated payment of such claim or interest, the plan cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy) and reinstates the maturity of such claim or interest as it existed before the default.

In general, a holder of a claim or interest may vote to accept or to reject a plan if (i) the claim or interest is "allowed" for purposes of voting, which means generally that no party in interest has objected to such claim or interest or, if no proof of claim was filed, that such claim or interest has not been scheduled by the Debtor as contingent, unliquidated or disputed and (ii) the claim or interest is impaired by the plan. If, however, the holder of an impaired claim or interest will not receive or retain any distribution under the plan on account of such claim or interest, the Bankruptcy Code deems such holder to have rejected the plan, and accordingly, holders of such claims and interests do not actually vote on the plan. If a claim or interest is not impaired by the plan, the Bankruptcy Code deems the holder of such claim or interest to have accepted the plan, and accordingly, holders of such claims and interests are not entitled to vote on the plan.

The Holder of a Claim against a Debtor that is Impaired under the Plan is entitled to vote to accept or reject the Plan if (i) the Plan provides a Distribution in respect of such Claim and (ii)(a) the Claim has been scheduled by the Debtors (and such claim is not scheduled at zero or as disputed, contingent or unliquidated) or (b) the Claimholder has filed a proof of claim on or before the Bar Date applicable to such Holder, pursuant to Bankruptcy Code sections 502(a) and 1126(a) and Bankruptcy Rules 3003 and 3018. Any Claim as to which an objection has been timely filed and has not been withdrawn, dismissed or denied by Final Order is not entitled to vote unless the Bankruptcy Court, pursuant to Bankruptcy Rule 3018(a), upon application of the Holder of the Claim with respect to which there has been objections, temporarily allows the Claim in an amount that the Bankruptcy Court deems proper for the purpose of accepting or rejecting the Plan.

A vote may be disregarded if the Bankruptcy Court determines, pursuant to Bankruptcy Code section 1126(e), that it was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code. The Solicitation Procedures Order also sets forth assumptions and procedures for tabulating Ballots that are not completed fully or correctly.

G. Classes Impaired Under the Plan

Classes 3, 4 and 6 are not Impaired under the Plan and are deemed under Bankruptcy Code section 1126(f) to have accepted the Plan, and their votes to accept or to reject the Plan will not be solicited. Classes 1, 2, 5 and 7 are Impaired under the Plan and entitled to vote on the Plan. Classes 8, 9, 10 and 11 will not receive or retain any Distribution or property under the Plan on account of their Claims or Interests, are presumed under Bankruptcy Code section 1126(g) to have rejected the Plan, and are, therefore, not entitled to vote to accept or reject the Plan.

H. Waivers of Defects and Other Irregularities

Unless otherwise directed by the Bankruptcy Court, all questions as to the validity, form, eligibility (including time of receipt), acceptance and revocation or withdrawal of Ballots will be determined by the Voting Agent and the Debtors in their sole discretion, which determination will be final and binding, subject to approval by the Bankruptcy Court (if necessary). As indicated above under "Withdrawal of Ballots; Revocation; Changes to Vote", effective withdrawals of Ballots must be delivered to the Voting Agent prior to the Voting Deadline. The Debtors reserve the absolute right to contest the validity of any such withdrawal. The Debtors also reserve the right to reject any and all Ballots not in proper form, the acceptance of which would, in the opinion of the Debtors or their counsel, be unlawful. The Debtors further reserve the right to waive any defects or irregularities or conditions of delivery as to any particular Ballot. The interpretation (including the Ballot and the respective instructions thereto) by the Debtors, unless otherwise directed by the Bankruptcy Court, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with deliveries of Ballots must be cured within such time as the Debtors (or the Bankruptcy Court) determine. Neither the Debtors nor any other person will be under any duty to provide notification of defects or irregularities with respect to deliveries of Ballots nor will any of them incur any liabilities for failure to provide such notification. Unless otherwise directed by the Bankruptcy Court, delivery of such Ballots will not be deemed to have been made until such irregularities have been cured or waived. Ballots previously furnished (and as to which any irregularities have not therefore been cured or waived) will be invalidated.

I. Confirmation Hearing and Deadline for Objections to Confirmation

Pursuant to Bankruptcy Code section 1128 and Bankruptcy Rule 3017(c), the Confirmation Hearing will be held on October 22, 2008 at 9:30 a.m. (Eastern Time) before the Honorable Phillip J. Shefferly, United States Bankruptcy Judge for the Eastern District of Michigan, in the Bankruptcy Court, 211 West Fort Street, 19th Floor, Detroit, Michigan 48226. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for the announcement of the adjournment date made at the Confirmation Hearing or at any subsequent adjourned Confirmation Hearing. The Bankruptcy Court has directed that objections, if any, to confirmation of the Plan be filed with the Clerk of the Bankruptcy Court and served so that they are RECEIVED on or before October 15, 2008, at 4:00 p.m. (Eastern Time) by the following parties: (i) Skadden, Arps, Slate, Meagher & Flom LLP, One Rodney Square, P.O. Box 636, Wilmington, Delaware 19899-0636, Attn: Gregg M. Galardi, Esq. (Counsel for the Debtors) and Allard & Fish, P.C., 2600 Buhl Building, 535 Griswold

Street, Detroit, MI 48236, Attn: Deborah L. Fish, Esq. (Co-Counsel for the Debtors); (ii) Clark Hill PLC, 500 Woodward Avenue, Suite 3500, Detroit, Michigan 48226, Attn: Robert D. Gordon, Esq. and Joel D. Applebaum, Esq. (Counsel to the Official Committee of Unsecured Creditors); (iii) the Office of the United States Trustee, 211 West Fort Street, Suite 700, Detroit, Michigan 48226, Attn: Stephen E. Spence, Esq.; (iv) Latham & Watkins, LLP, 233 South Wacker Drive, Sears Tower, Suite 5800, Chicago, IL 60606, Attn: Richard A. Levy, Esq. (Counsel to Goldman Sachs); (v) Ropes & Gray LLP, 1211 Avenue of the Americas, New York, NY 10036, Attn: Keith H. Wofford, Esq. (Counsel to Steering Committee of First Lien Lenders); (vi) Stutman, Treister & Glatt, 1901 Avenue of the Stars, 12th Floor, Los Angeles, CA 90067, Attn: Eric D. Goldberg, Esq. (Counsel to Steering Committee of Second Lien Lenders); (vii) Dickinson Wright PLLC, 500 Woodward Avenue, Suite 4000, Detroit, MI 48226, Attn: Kristi A. Katsma, Esq. (Counsel for Chrysler, LLC); (viii) Miller, Canfield, Paddock and Stone, P.L.C., 150 W. Jefferson Avenue, Suite 2500, Detroit, MI 48226, Attn: Jonathan S. Green, Esq. (Counsel for Ford Motor Company); (ix) Honigman Miller Schwartz and Cohn LLP, 2290 First National Building, 660 Woodward Avenue, Suite 2290, Detroit, MI 48226, Attn: Donald F. Baty, Jr., Esq. (Counsel for General Motors); (x) Dickinson Wright PLLC, 500 Woodward Avenue, Suite 4000, Detroit, MI 48226, Attn: William T. Burgess, Esq. and James A. Plemmons, Esq. (Counsel for Johnson Controls, Inc.); and (xi) The Roxbury Group, 2435 Guardian Building, 500 Griswold Street, Detroit, MI 48226, Attn: Stacy Fox, Esq. (Counsel for Ms. Julie N. Brown).

The Debtors expressly reserve all of their rights to dismiss any of the Chapter 11 Cases at any time.

III. HISTORY, OPERATIONS, AND STRUCTURE OF THE DEBTORS

A. The Company

As noted above, PEPI, a privately-held company that was based in Dearborn, Michigan, began in 1988 with the purchase of a single injection molding facility in Caro, Michigan. PEPI was a Tier-1 and Tier-2 automotive parts supplier and a designer and maker of blow-molded and injection-molded plastic products primarily for the automotive industry.

PEPI's products included automotive interior trim, underhood components, bumper and other exterior components, and cockpit modules. PEPI's business was generally divided into the following operating segments: (i) interiors, (ii) exteriors, (iii) stamping and (iv) carpet. PEPI's largest customers included GM, Ford, Chrysler and Toyota, which customers are OEMs that are federally-licensed entities required to warrant and/or guarantee their products. PEPI also conducted significant business with JCI, a Tier-1 automotive parts supplier.

A list of the Debtors is attached as Exhibit A to the Plan and the Debtors' corporate structure chart as of the Petition Date is attached hereto as Appendix B. By order of the Bankruptcy Court, the Debtors' cases were procedurally consolidated for administrative purposes.

B. Employees and Facilities

As of the Petition Date, PEPI maintained more than thirty-five (35) manufacturing facilities in the midwestern and southern United States and employed over seven thousand seven hundred (7,700) people in numerous manufacturing facilities and 2 corporate locations in North America. Approximately seventy percent (70%) of the Debtors' workforce, as of the Petition Date was unionized.

IV. PREPETITION CAPITAL STRUCTURE OF THE DEBTORS

A. Secured Prepetition Indebtedness

In February 2007, in connection with the Refinancing, the Debtors entered into the following credit facilities:

1. Revolving Credit Facility On February 12, 2007, the Debtors entered into the Revolving Credit Facility with the Revolving Lenders. The Revolving Credit Facility was an asset based loan pursuant to which the Debtors were able to borrow up to $200 million, subject to a formula and available collateral. It was secured by a first lien on the Debtors' "Liquid Collateral" (as defined in the Intercreditor Agreement) which Liquid Collateral included, but was not limited to: all accounts; all chattel paper; all instruments; letter of credit rights; payment intangibles; receivables; deposit accounts; and all inventory. The Debtors also had obligations totaling $13 million under pre-petition letters of credit (the "Letters of Credit") issued under the Revolving Credit Facility. As described below, certain of the Major Customers subsequently purchased a 100% participation in the remaining loans under the Revolving Credit Facility pursuant to the Final DIP Order. No pre-petition loans remain outstanding under the Revolving Credit Facility.

2. First Lien Term Loan Also on February 12, 2007, the Debtors entered into the First Lien Term Loan, with various lenders and with Goldman as lead arranger, syndication agent, administrative agent, and collateral agent (collectively the "First Lien Term Lenders"). The First Lien Term Loan was secured by a first lien on "Fixed Collateral," with a second lien on "Liquid Collateral." The term "Fixed Collateral" included, but was not limited to: Net Available Cash Account (as defined in the First Lien Term Loan); all equipment; all fixtures; fee interests in real property; intellectual property; general intangibles; and stock collateral and equity interests, all as further specified in the Intercreditor Agreement. The First Lien Term Loan was fully drawn as of the Petition Date in the amount of approximately $265 million.

3. Second Lien Term Loan Finally, the Debtors also entered into Second Lien Term Loan (together with the First Lien Term Loan, the "Term Loan Facilities") with various lenders and with (i) Goldman as lead arranger and syndication agent; and (ii) the Bank of New York as administrative agent and collateral agent (collectively, the "Second Lien Term Lenders"). The Second Lien Term Loan was secured by a second lien on the Fixed Collateral and a lien junior to the First Lien Term Loan lenders' second lien on Liquid Collateral. As of the Petition Date, the Second Lien Term Loan was fully drawn in the amount of $100 million.

B. Equity

As noted above, the Primary Shareholder holds 99.33% of the common shares of PEPI. The remaining shares are held by Tai Nguyen.

C. Stock-Based Compensation

In 1998, the Debtors and certain non-debtor affiliates (collectively referred to in the context of this Section IV.C as the "Company") adopted a stock appreciation rights plan (the "SAR Plan"). The Stock Appreciation Rights (the "SARs") issued under the SAR Plan represent the right to receive, in cash, the increase in value of the Company. For SAR Plan purposes, the value of the Company is determined using the Company's earnings before interest, taxes, depreciation, and amortization ("EBITDA"), as defined. Grants under the SAR Plan are made solely at the discretion of the Company. The SARs vest one hundred percent (100%) at five years from the date of issuance. The total compensation accrued by the Company related to SARs grants was approximately $0 as of December 31, 2006, and $172,000 as of December 31, 2005.

The Company has also made stock awards to certain executives in the past. The Company applied Accounting Principles Board Opinion No. 25 ("APB 25"), *Accounting for Stock Issued to Employees*, and related interpretations in accounting for the stock awards. APB 25 requires that compensation expense be recognized over the service period which is generally the vesting period of the awards based on the intrinsic value of the common stock at the grant date.

The stock awards vest in thirty-three (33%) annual increments beginning at the third anniversary date of the award (October 2008). In addition, each executive has the right to put any vested shares back to the Company at a price equal to fair value of the shares at the time of exercising the put option. There is no contractual life associated with the awards. The awards fully vest in October 2010 and have no expiration date. However, upon termination of employment, the executive is required to exercise the put option. No stock awards were granted, exercised, or expired during fiscal year 2006. Awards forfeited in 2006 totaled $7,000,000.

On January 1, 2006, the Company adopted SFAS No. 123(R) *Share-based Payment* ("SFAS No. 123(R)"), which requires the Company's stock awards to be classified as a liability rather than as equity, due to the stock award put option. Under SFAS No. 123(R), as a non-public company, other than the reclassification to a liability, there was no change in accounting required by the Company for awards outstanding at the date of initial application of SFAS No. 123(R). The Company is required to use the accounting principles originally applied to those awards. Any new awards granted or modification of existing awards would be subject to the accounting principles of SFAS No. 123(R).

The Company determined the fair value of the stock awards at the grant date based on the appraisal performed by an independent third party. Compensation expense of $639,000 and $729,000 was included in net income for the years ended December 31, 2006 and 2005, respectively.

V. CORPORATE STRUCTURE OF THE DEBTORS

A. Current Corporate Structure

As set forth on the organization chart, annexed hereto as Appendix B, PEPI, a company incorporated under the laws of the state of Michigan, owns 100% of the equity of Plastech Frenchtown, Inc., Plastech Decorating Systems, Inc., Plastech Exterior, and LDM Technologies. Plastech Exterior in turn owns 100% of the equity of Plastech Romulus Inc. and MBS Polymet, Inc. Finally, LDM Technologies owns 100% of LDM Holding Canada, Inc. and LDM Holding Mexico, Inc. These Chapter 11 Cases do not include any of the Debtors' foreign subsidiaries. The Canadian operations are operated through LDM Technologies Company, a Nova Scotia company.

B. Board of Directors and Executive Officers of PEPI

Julie N. Brown is currently the sole director and Chairman of PEPI's Board of Directors.

Julie N. Brown, Chairman of the Board, Chief Executive Officer, President of Plastech, founded its first plant in Michigan, in 1988 and has grown the company into one of the largest injection molders in North America with 40 plants operating in 10 states, Canada and Mexico. Prior to founding Plastech, Mrs. Brown worked at Ford Motor Company for 11 years as a Product Design Engineer. Mrs. Brown received a B.S. in Computer Science and Math from Tulane University, New Orleans, Louisiana and a Masters in Engineering from Wayne State University, Detroit, Michigan. Mrs. Brown is a former Trustee at Brown University and former member of the Board of Directors- University of Michigan, Ross School of Business.

PEPI also has a slate of Advisory Directors without independent voting rights that act chiefly in an advisory role to PEPI's Chief Executive Officer. The following persons comprised the Advisory Directors and executive officers of PEPI as of the Petition Date:

David E. Cole, PhD., Advisory Director, is Director of the University of Michigan's Office for the Study of Automotive Transportation. Dr. Cole is a noted expert and writer on the worldwide automotive industry, serves on a number of Tier One company boards of directors, and speaks frequently before the automotive and investment press. He chairs the annual University of Michigan conference on the automotive industry, which is the leading automotive educational and informational conference of its kind in the world.

Jim Englehart, Advisory Director, is the former Group Vice President – Product Development for Ford Motor Company. In this capacity, Mr. Englehart had responsibility for Ford's world-wide engineering activities and new product conceptualization, strategy, design, and development. Prior to this assignment, Mr. Englehart had a variety of domestic and international product development assignments at Ford focused primarily on the company's truck activities. Mr. Englehart retired from Ford Motor Company in January 1998.

Mike Mutchler, Advisory Director, held a variety of senior assignments with General Motors Corporation prior to his retirement in 1998. His assignments included membership on General Motors' Strategy Board, as well as Group Vice President in charge of General Motors' truck Group and Chevrolet, Pontiac, and Canada Group. Mr. Mutchler graduated from General

Motors Institute ("GMI") with a degree in manufacturing engineering and currently is a trustee of the Kettering Institute, which is the successor to GMI.

Ronald Majeske, Advisory Director, held a variety of purchasing positions within Ford Motor Company while there from 1964 until 1980. He joined Chrysler in 1980 and held various senior positions within the purchasing group, including Director of Jeep Platform Procurement. He retired from Chrysler in 2001. Mr. Majeske graduated from the University of Detroit with a degree in Business.

The officers of PEPI were elected or appointed by the Board of Directors. Other than Ms. Brown, the officers as of the Petition Date were:

James A. Brown, Chief Operating Officer, held a variety of jobs in the legal department at Ford Motor Company before joining Plastech in 1997. Mr. Brown graduated from the University of Michigan in 1974 and earned a J.D. from U.C.L.A. in 1978.

Peter Smidt, Executive Vice President Finance and Chief Financial Officer, joined Plastech September 24, 2007. Prior to his employment with Plastech, Mr. Smidt worked as a Director of Transaction Services for PricewaterhouseCoopers where he assisted clients in the acquisition and divestiture of companies. Mr. Smidt earned his M.B.A. from Central Michigan University in 1994.

Kelvin Scott, General Counsel, Secretary, has practiced law in Metro Detroit for more than 20 years. During much of his career, Mr. Scott has represented automotive companies in various types of matters. He joined PEPI in his current positions in 2003. Mr. Scott graduated from Michigan State University in 1984 and earned a J.D. from Georgetown University Law Center in 1987.

Matt DeMars, President, Interior/Exterior Business Units, joined Plastech October 2005 and is responsible for all plant operations. Prior to joining Plastech, Mr. DeMars held various manufacturing and engineering positions within Ford Motor Company, most recently serving as Vice President, Vehicle Operations. Mr. DeMars earned a Bachelor's Degree in Mechanical Engineering from Lawrence Technological University and a Master's Degree in Business Administration from University of Michigan. Mr. DeMars also sits on the Board of Directors for Lawrence Technological University.

June Nagle, JCI Business Unit President and Vice President of Corporate Quality, has over thirty years of global automotive experience. Prior to joining PEPI, Ms. Nagle held a variety of senior management positions at General Motors in Purchasing and Supply Chain. Ms. Nagle joined PEPI in her current position after retiring from General Motors in October of 2007. Ms. Nagle graduated with a Bachelors of Science in Public Affairs Management from Michigan State University.

Paul Gorcyca, President, Southern Business Unit, is responsible for management of Southern manufacturing facilities, including profit and loss, customer satisfaction, and growth. As Senior Vice President of Sales, Mr. Gorcyca developed new business opportunities, set strategic planning, and established budget and targets. Mr. Gorcyca's extensive global experience

includes automotive sales, purchasing and marketing. Mr. Gorcyca has been with Plastech for 7 years.

Gary Borushko, Group V.P. of Business Development, was the Chief Financial Officer of LDM Technologies, Inc., prior to its acquisition by Plastech in February 2004. Mr. Borushko received a B.A. from the University of Michigan in 1967.

Upon consummation of the Sales or shortly thereafter, each of the officers of PEPI resigned or were terminated, except for Mr. Smidt, who has been overseeing the winddown and liquidation of the Debtors' assets.

VI. EVENTS LEADING TO COMMENCEMENT OF THE CHAPTER 11 CASES

A. Events Leading to Bankruptcy Filings

As noted above, a combination of developments, including the general downturn in the domestic automotive market and the rising price of certain commodities, caused a significant decrease in the earnings realized by the Company in the two years preceding the Petition Date. Faced with declining revenues and resulting liquidity issues due to certain factors largely beyond the control of the Company, including an overall decline in the domestic automotive market and an increase in commodities and shipping costs, due largely to an increase in the cost of petroleum and petroleum based products, the Company took certain steps prior to the Petition Date to alleviate their liquidity issues while the Company and their advisors worked to restructure the Company's business operations.

Among other things, as noted above, the Company entered into the Refinancing. In addition, the Company, with the assistance of its financial advisors, CM&D, worked to improve operating performance and address its liquidity concerns. Notwithstanding such efforts the Company continued to face liquidity constraints, and on January 3, 2008, were in default on a senior leverage covenant in the Revolving Credit Facility. In early January 2008, therefore, the Company began discussions with its Secured Lenders regarding its liquidity situation and the existing default. The Company also began negotiations with its Major Customers to secure their agreement to "pull ahead" certain receivables and thus, make payments to the Company on shorter time frames than otherwise required under their particular contracts. These efforts were aimed at solving the Company's immediate liquidity crisis by securing for itself a forbearance agreement from the Secured Lenders that would permit the Company to stabilize itself and formulate a long term solution to its liquidity issues. Towards this end, the Company retained Lazard as its investment bankers, who, with CM&D, assisted the Company in to investigating sources of debt or equity investment capital as necessary to support the Company's cash needs, negotiating with the Company's customers – including the OEMs – to secure more favorable payment terms, and exploring the marketability of certain segments of the Company's businesses.

Beginning in early 2008, the Company's efforts, particularly with its prepetition Secured Lenders and the OEMs, as well as JCI, began to bear fruit. Specifically, as a result of these efforts, the Company was able to secure agreements from the Major Customers to "pull ahead" and make payments to the Company on shorter time frames than otherwise required under their

particular contracts. On January 22, 2008, the Company and the Major Customers entered into the Second FAA, pursuant to which the Major Customers that were parties to such agreement collectively agreed to pull ahead payments in the aggregate amount of approximately $40 million.

Notwithstanding the entry into the Second FAA, the Company continued to face a severe liquidity crisis in the last week of January, 2008, as it continued to negotiate with the Major Customers and its Secured Lenders to obtain sufficient financing and liquidity to allow the Company to operate for an additional sixty (60) days outside of chapter 11. During this additional time, the Company intended to continue its efforts to obtain debt or equity investments sufficient to allow the Company to restructure its operations outside of bankruptcy, if possible. By the evening of Thursday, January 31, 2008, the Company believed that it had reached the general terms of such an agreement, and anticipated finalizing the terms and documentation of such agreement over the following days.

However, on the morning of February 1, 2008, the very day that the Company anticipated finalizing a further financial accommodation agreement with the Major Customers and securing forebearance agreements with the Secured Lenders, Chrysler purported to terminate all purchase orders and supply agreements with Plastech effective immediately. Chrysler subsequently proceeded with the prosecution of the Chrysler State Court Complaint. Through such complaint, Chrysler sought, among other things, an ex parte temporary restraining order against the Company that would permit Chrysler to immediately obtain possession of certain tooling that Chrysler alleged was Chrysler's tooling. As noted above, the Wayne County Court entered the Temporary Restraining Order later that afternoon. The Temporary Restraining Order required, among other things, the Company immediately and without delay to account for and return possession of certain tooling allegedly owned or to be purchased by Chrysler and allow Chrysler and/or its authorized representatives immediate access to its facilities to inspect, inventory, account for, load, remove and transport the Chrysler tools, by force, if necessary. Faced with the imminent dismantling of a significant portion of their ongoing business operations, the Debtors had no alternative but to seek immediate relief from Chrysler's aggressive litigation and collection efforts by filing the Bankruptcy Cases in the Bankruptcy Court.

B. Chapter 11 Filings Necessary

On February 1, 2008, in response to the actions of Chrysler and in order to protect the value of their ongoing businesses, the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court. The cases (case numbers 08-42417 through 08-42425) were assigned to the Honorable Phillip J. Shefferly.

VII. CHAPTER 11 CASES

A. Continuation of Business; Stay of Litigation

Since the Petition Date, the Debtors have continued to operate as debtors in possession subject to the supervision of the Bankruptcy Court and in accordance with the Bankruptcy Code. The Debtors were authorized to operate their business in the ordinary course of business, with transactions out of the ordinary course of business requiring Bankruptcy Court approval.

An immediate effect of the filing of the Debtors' bankruptcy petitions was the imposition of the automatic stay under the Bankruptcy Code which, with limited exceptions, enjoined the commencement or continuation of all collection efforts by creditors, the enforcement of liens against property of the Debtors, and the continuation of litigation against the Debtors. This relief provided the Debtors with the "breathing room" necessary to assess and reorganize their business. Importantly, the imposition of the automatic stay brought an immediate end to the efforts by Chrysler to seize tooling and other property from the Debtors.

The automatic stay remains in effect, unless modified by the Bankruptcy Court, until consummation of a plan of liquidation. Upon consummation, the Debtors are requesting the Court approve the imposition of a permanent injunction against certain actions. See Plan Section X.D.

B. First Day Orders

The first day hearings (the "First Day Hearings") were held in the Bankruptcy Cases before the Bankruptcy Court on February 5, 2008 and February 6, 2008. At the First Day Hearings, the Bankruptcy Court heard certain requests for immediate relief filed by the Debtors to facilitate the transition between the Debtors' prepetition and postpetition business operations. Many of the first day orders obtained in the Bankruptcy Cases by the Debtors were typical for large chapter 11 cases.

Following the First Day Hearings, the Bankruptcy Court entered first day orders that authorized, among other things:

(a) the joint administration of the Chapter 11 Cases for procedural purposes (Docket No. 83);

(b) the retention of Donlin Recano & Company, Inc., as agent of the Bankruptcy Court (the "Claims Agent") (Docket No. 101);

(c) the maintenance of the Debtors' bank accounts and operation of their cash management systems substantially as such systems existed prior to the Petition Date (Docket No. 82) and a related request for a waiver of certain investment guideline requirements otherwise imposed by the Bankruptcy Code (Docket No. 96);

(d) payment of prepetition checks for certain employees' accrued prepetition wages and expense reimbursements (Docket No. 44);

(e) payment of preptition employee wages and certain employee benefits (Docket No. 150);

(f) payment of prepetition shipping charges and related obligations (Docket No. 223); and

(g) continued funding to LDM Technologies Company ("LDM"), a foreign non-debtor affiliate of the Debtors (Docket No. 151) (the "Canadian Funding Order").

The Debtors subsequently obtained the following necessary relief on an expedited basis, after notice and a hearing:

(a) continued utility services during the first months of the Chapter 11 Cases (Docket No. 419);

(b) authority to pay certain contractor liens (Docket No. 418);

(c) authority to pay sales, use, and trust fund taxes (Docket No. 423); and

(d) the maintenance of certain insurance policies and insurance premium financing programs (Docket No. 281).

C. Debtor in Possession Financing and Revolving Lenders' Settlement

On February 5, 2008, the Debtors filed their First Day Motion (the "First DIP Motion"), requesting entry of an order (1) authorizing Debtors to obtain financing and other extensions of credit from the DIP Lenders (as hereinafter defined), grant security interests and liens and accord administrative and superpriority claim status in favor of the DIP Agent (as defined below) pursuant to Sections 361, 363, 364(c), 364(d)(1) and 503(b) of Title 11 of the United States Code (the "Bankruptcy Code"); (2) giving notice of a final hearing pursuant to Federal Rule of Bankruptcy Procedure 4001(b)(2) and (c)(2); and (3) modifying the automatic stay. On February 6, 2008, the Bankruptcy Court entered an interim order (Docket No. 114) (the "First Interim Financing Order") granting the First DIP Motion on an interim basis and permitting the Debtors, inter alia, to borrow amounts sufficient, in the Debtors' estimation at the time of the entry of the First Interim Financing Order, to permit the Debtors to continue to operate their businesses through February 12, 2008.

Following the entry of the First Interim Financing Order, the Debtors continued to negotiate with the DIP Lenders for additional financing. As a result of these negotiations, the Debtors and the DIP Lenders reached agreement with respect to additional interim financing and the Debtors subsequently filed their Verified Emergency Motion for Interim and Final Orders Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364 and Federal Rule of Bankruptcy Procedure 4001 (Docket No. 215) (the "Second DIP Motion"). On February 13, 2008, the Bankruptcy Court entered another interim order (Docket No. 243) (the "Second Interim Financing Order" and with the First Interim Financing Order, collectively, the "Interim DIP Orders") granting the Second DIP Motion and permitting the Debtors to obtain additional financing from the Revolving DIP Lenders allowing the Debtors to continue their operations through February 27, 2008. Thereafter, on February 27, 2008, March 3, 2008, March 14, 2008, and April 3, 2008, the Bankruptcy Court entered additional orders extending the financing periods under the Interim DIP Orders, as amended, from February 27, 2008 through April 30, 2008 (referred to individually as an "Extension Order" or collectively as the "Extension Orders").

On March 13, 2008, the Debtors filed a motion pursuant to Bankruptcy Rule 9019 (Docket No. 675) (the "Revolving Lenders Settlement Motion") to approve a settlement between and among the Debtors, the Revolving DIP Lenders and the Revolving Lenders (i) approving and/or confirming that the claim of the Prepetition Revolving Lenders was a fully secured allowed claim against the Debtors that was not subject to offset, counterclaim, recoupment, avoidance, recharacterization or equitable subordination, (ii) waiving any and all claims by the Debtors against the Revolving Lenders, the Revolving DIP Lenders and their agents; (iii) confirming that (x) the Revolving DIP Lenders' liens and security interests in the Debtors' assets and (y) the prepetition liens and security interests of the Revolving Lenders in the Debtors' assets were legal, valid, binding, enforceable, perfected and non-avoidable liens; and (iv) approving a waiver of all claims, if any there be, of rights to surcharge under Bankruptcy Code section 506(c) or otherwise. The Bankruptcy Court approved the Revolving Lenders Settlement Motion through the entry of an order (Docket No. 955) (the "Revolving Lenders Settlement Order"), entered on April 4, 2008.

On March 26, 2008, the Debtors filed their Verified Motion for Orders Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364 and Federal Rule of Bankruptcy Procedure 4001 (I) Extending Interim Financing Period under Second Interim Order Authorizing Debtors-in-Possession to Obtain Financing; (II) Authorizing Transfer of DIP Facility to New DIP Lender; (III) Authorizing Debtors to Obtain Further Interim and Final Financing Pursuant to Second DIP Credit Agreement; and (IV) Scheduling Final Hearing (Docket No. 832) (the "Customer DIP Motion"). Pursuant to the Customer DIP Motion, the Debtors sought approval of a revised credit agreement (the "Final DIP Loan Agreement") that would provide the Debtors sufficient financing through August 31, 2008. The DIP Loan Agreement was conditioned upon entry of an order approving the Revolving Lenders Settlement Motion. Following a hearing on April 2, 2008, the Bankruptcy Court entered (i) an order granting the Revolving Lenders Settlement Motion and (ii) an order granting the Customer DIP Motion on an interim basis. Following a subsequent hearing held before the Bankruptcy Court on May 1, 2008, the Bankruptcy Court entered an order (Docket No. 1216) (the "Final DIP Order") approving the Customer DIP Motion on a final basis, thereby authorizing the Debtors' current post-petition financing.

Pursuant to the Final DIP Order, certain of the Debtors' Major Customers purchased a 100% participation in any remaining pre-petition loans under the Revolving Credit Facility, cash collateralized the Debtors' reimbursement obligations in respect of the Letters of Credit, purchased the post-petition loans under the Debtors' existing postpetition financing facility, and provided the Debtors with additional liquidity (the "Customer Financing"). **No pre-petition loans under the Revolving Credit Facility remain outstanding.**

Following the approval of the Sales and in order to effectuate the Funding Agreement (each as described below), the Debtors and the Major Customers agreed to an amendment to the Final DIP Order to increase the increase in the amount of financing provided pursuant to the Customer Financing from $87 million to $99.5 million. The Court entered such amended Final DIP Order (the "Amended Final DIP Order") on June 27, 2008 (Docket No. 2001). Among other things, the financing provided under the Amended Final DIP Order will be used to pay Allowed Administrative Claims that accrued but were unpaid as of the Confirmation Date.

D. Litigation with Chrysler

As noted above, prior to the Petition Date, Chrysler obtained the Temporary Restraining Order from Wayne County Court, and immediately took steps to execute on such order. Further proceedings in the Wayne County Court were, however, stayed by the filing of these Bankruptcy Cases.

Accordingly, on February 2, 2008, Chrysler filed a motion seeking relief from the automatic stay (Docket No. 4) (the "Chrysler Stay Relief Motion") and accompanying brief (Docket No. 5). Through the Chrysler Stay Relief Motion, Chrysler sought immediate relief from the automatic stay to obtain possession of certain tooling it claimed to own, in essence to continue to the litigation efforts previously conducted in Wayne County Court. Chrysler further requested that the Bankruptcy Court grant a hearing on the Chrysler Stay Relief Motion on February 4, 2008. The Debtors opposed both the Chrysler Stay Relief Motion and Chrysler's request that a hearing on such motion be expedited.

Subsequently, on February 4, 2008, Chrysler filed its Complaint (as subsequently amended, the "Chrysler Adversary Complaint"), thereby initiating adversary proceeding number 08-04120 (Adv. Docket No. 1) (the "Chrysler Adversary Proceeding") in the Bankruptcy Court. Through the Chrysler Adversary Complaint and the accompanying motion for a temporary restraining order (Adv. Docket No. 3, as amended by Adv. Docket No. 7) filed in the Adversary Proceeding, Chrysler requested, inter alia, that the Bankruptcy Court enter an order declaring that Chrysler had the immediate right to repossess the tooling Chrysler alleged belonged to it and awarding Chrysler an award of damages for the Debtors' purported breaches of their contractual agreements with Chrysler, and a separate order requiring the Debtors to immediately return the tooling to Chrysler and cooperate with Chrysler in obtaining the return of such tooling, including by allowing Chrysler's representatives to immediately access the Debtors' facilities in order to inventory and inspect such tooling. As with the Chrysler Stay Relief Motion, Chrysler requested that the Bankruptcy Court expedite any hearing with respect to the requested temporary restraining order and preliminary injunction.

Following an emergency hearing held on February 4, 2008, the Bankruptcy Court scheduled the hearing with respect to the Chrysler Lift Stay Motion for February 13 and 14, 2008 (the "Chrysler Hearings"). Pending the Chrysler Hearings, the Debtors and Chrysler entered into an interim agreement pursuant to which the Debtors, among other things, supplied certain parts to Chrysler. Chrysler and the Debtors subsequently amended their agreement to permit the Debtors to continue to supply parts to Chrysler through the date on which the Bankruptcy Court entered its order with respect to the Chrysler Stay Relief Motion and Chrysler's requested temporary restraining order and preliminary injunction.

On February 19, 2008, following two days of trial on February 13 and 14, 2008, the Bankruptcy Court entered an order denying Chrysler's requested preliminary injunction (Adv. Docket No. 33) (the "Preliminary Injunction Order"), an order denying the Chrysler Stay Relief Motion (Docket No. 325) (the "Lift Stay Order") and an accompanying Opinion (Adv. Docket No. 32, Docket No. 323) (the "Chrysler Opinion"). Chrysler subsequently filed its appeal (the "Preliminary Injunction Appeal") of the Preliminary Injunction Order (Adv. Docket No. 35) and its appeal (the "Lift Stay Appeal" and, together with the Preliminary injunction Appeal, the

"Chrysler Appeals") of the Lift Stay Order (Docket No. 458). On March 7, 2008, the Debtors filed their cross appeal of the Preliminary Injunction Order (Adv. Docket No. 48) and their cross appeal of the Lift Stay Order (Docket No. 556) (collectively, the "Cross Appeals").

Upon the approval of the Sale Orders and the Sale-Related Settlements and pursuant to the Funding Agreement as detailed below, Chrysler, the Term Lender Parties and the Debtors agreed to dismiss the Chrysler Appeals and the Cross Appeals. On July 10, 2008, the United States District Court for the Eastern District of Michigan entered an order dismissing the Chrysler Appeals and the Cross Appeals (Docket No. 28).

E. JCI Motion to Compel Assumption or Rejection

On February 22, 2008, JCI filed its motion (Docket No. 375) (the "JCI Motion") to compel the Debtors to assume or reject promptly certain executory contracts between one or more of the Debtors and JCI, including but not limited to that certain Plastic Components Sourcing Agreement dated as of October 5, 2001 (the "PCSA"). In the JCI Motion, JCI asserted that: (i) the Debtors could not perform under the PCSA without financial accommodations from JCI and the Major Customers; (ii) without assumption of the PCSA, the Debtors could not reorganize and, therefore, an early election to assume or reject the PCSA would not affect the Debtors' ability to reorganize; and (iii) allowing the Debtors until plan confirmation to assume or reject the Contracts would cause "overwhelming hardship" to JCI.

The Debtors responded to the JCI Motion on March 5, 2008 (Docket No. 524) (the "JCI Response"). In the JCI Response, the Debtors disagreed with JCI's contentions in the JCI Motion and its characterizations of the Debtors' performance and ability to perform under the PCSA and the Operating Agreement, dated April 1, 2007, between Johnson Controls, Inc. and Plastech Engineered Products (the "JCI Operating Agreement" and. together with the PCSA, the "JCI Agreements"). In further response to JCI's contentions, the Debtors alleged that JCI had failed to perform under the JCI Agreements and that JCI's failures to perform significantly undermined Plastech's liquidity position. The Debtors further requested that the Bankruptcy Court set a hearing on the JCI Motion on or before June 30, 2008. JCI voluntarily withdrew the JCI Motion on or about June 26, 2008 on the record before the Bankruptcy Court and filed a formal notice of withdrawal on July 29, 2008 (Docket No. 2307).

F. Appointment of Creditors' Committee

On February 8, 2008, the Office of the United States Trustee the Creditors' Committee in these Chapter 11 Cases pursuant to Bankruptcy Code section 1102. Members of the Creditors' Committee that were initially appointed are: (i) International Union, UAW, (ii) DBM Technologies, (iii) Tool & Plas Systems, Inc., (iv) BASF Corporation, (v) KS Automotive, Inc., (vi) Epic Equipment & Engineering, Inc. and (vii) Siegel-Robert, Inc. The Bankruptcy Court authorized the retention of various professionals by the Creditors' Committee, including (i) Clark Hill PLC ("Clark Hill") as bankruptcy counsel (Docket No. 394) and (ii) Mesirow Financial Consulting, LLC as financial advisor (Docket No. 662).

G. Other Material Relief Obtained During the Chapter 11 Cases

In addition to the first day relief sought in these Chapter 11 Cases, the Debtors have sought authority with respect to a multitude of matters designed to assist in the administration of the Chapter 11 Cases and to maximize the value of the Debtors' Estates. Set forth below is a brief summary of certain of the principal matters on which the Debtors have obtained relief.

1. Retention of Debtors' Professionals

During these Chapter 11 Cases, the Bankruptcy Court has authorized the retention of various professionals by the Debtors, including: (i) the retention of Skadden, Arps, Slate, Meagher & Flom LLP and its affiliates ("Skadden, Arps") as bankruptcy counsel (Docket No. 696); (ii) the retention of Allard & Fish, P.C. ("Allard & Fish") as bankruptcy counsel (Docket No. 537); (iii) the retention of Lazard as investment banker (Docket No. 690); and (iv) the retention of CM&D as financial advisors (Docket No. 478). The Debtors have also filed a motion seeking to engage Groom Law Group, Chartered, as employee benefits counsel (Docket No. 2200).

2. Extension of Time to Assume or Reject Non-Residential Real Property Leases

Given the complexity of these Chapter 11 Cases, the expedited litigation with Chrysler, the numerous demands by vendors for orders lifting the automatic stay and/or compelling the immediate assumption or rejection of their contracts and/or agreements, the numerous demands for payment of certain 503(b)(9) Claims, the extended negotiation and resolutions embodied in the several Interim and Final DIP Financing Orders (as detailed above), and the negotiation of the Sales and Sale-Related Settlements, the Debtors were unable to complete their analysis of all nonresidential real property leases during the time limitation prescribed by section 365(d)(4) of the Bankruptcy Code. Therefore, upon the motion of the Debtors, on May 19, 2008, the Bankruptcy Court extended the time by which the Debtors must assume or reject leases of nonresidential real property for all such leases, except the lease (the "General Harmon Lease") for which General Harmon, LLC, is landlord, through and including August 29, 2008 (Docket No. 1389). The deadline for assuming or rejecting the General Harmon Lease was subsequently extended by stipulation through and including July 11, 2008 (Docket No. 2003), as approved by order (Docket No. 2019) of the Bankruptcy Court entered on June 27, 2008. On June 30, 2008, the Debtors filed a motion (Docket No. 2022) to assume the General Harmon Lease and assign it to JCIM, which motion was subsequently approved by order entered on July 11, 2008 (Docket No. 2140).

3. Rejection of Non-Residential Real Property Leases

On April 12, 2008, the Debtors filed a motion (Docket No. 1033) (the "First Real Property Lease Rejection Motion") seeking authority to reject two non-residential real property leases for facilities located in Warren, Michigan and Wayne, Michigan, respectively. The First Real Property Lease Rejection Motion was approved by order (Docket No. 1167) of the Bankruptcy Court dated April 29, 2008. On June 13, 2008, the Debtors also filed a motion (Docket No. 1731) seeking authorization to reject a lease for a facility in Dearborn, Michigan,

and to abandon any equipment, furniture or fixtures located at such facility, which motion was granted by order entered on June 27, 2008 (Docket No. 2011).

4. Rejection of Certain Leases and Executory Contracts

In the ordinary course of their business, the Debtors maintained hundreds of executory contracts and/or unexpired leases of personal property with various vendors (the "Initial Rejected Executory Contracts"). On or about April 4, 2008, the Debtors moved to reject twenty five of the Initial Rejected Executory Contracts, pursuant to which the Debtors leased certain vehicles for use by certain of the Debtors' employees. In addition, upon motion by the Debtors, on May 14, 2008, the Bankruptcy Court entered an order (Docket No. 1325) pursuant to which the Debtors rejected several equipment leases and/or schedules to such leases, effective as of April 30, 2008. On June 12, 2008, the Debtors moved (Docket No. 1707) (the "Third Lease Rejection Motion") to reject an additional approximately twenty (20) equipment leases covering approximately seventy (70) pieces of equipment, which motion was granted by order on June 27, 2008 (Docket No. 2012). On July 1, the Debtors filed a motion (Docket No. 2035) (the "Fourth Lease Rejection Motion") to reject leases of certain equipment associated with the Debtors' Exteriors business which equipment was no longer necessary for the Debtors' operations. The Fourth Lease Rejection Motion was subsequently granted by order entered on July 14, 2008 (Docket No. 2170). The Debtors also entered into a stipulation (Docket No. 2313) with The CIT Group/Equipment Financing, Inc. ("CIT") and JCIM stipulating to the rejection of an equipment lease and JCIM's subsequent purchase of such equipment from CIT, which stipulation was approved by order entered on July 30, 2008 (Docket No. 2333).

To date, the Debtors have also filed nine omnibus motions to reject certain unexpired leases of both real and personal property. These include:

- First Omnibus Motion (Docket No. 2138) seeking authorization to reject certain non-residential real property leases and abandon personal property that are no longer necessary for the Debtors' operations and that are not being assumed and assigned to JCIM pursuant to the Interiors Sale, which motion was granted on the record at the hearing held on July 31, 2008.

- Second Omnibus Motion (Docket No. 2162) seeking authorization to reject certain vehicle leases that are no longer necessary for the Debtors' operations and that are not being assumed and assigned to JCIM pursuant to the Interiors Sale, which motion was granted by order entered on July 30, 2008 (Docket No. 2435).

- Third Omnibus Motion (Docket No. 2168) seeking authorization to reject certain leases of equipment, vehicles and other personal property no longer necessary for the Debtors' operations and that are not being assumed and assigned to JCIM pursuant to the Interiors Sale, which motion was granted on the record at the hearing held on July 31, 2008.

- Fourth Omnibus Motion (Docket No. 2173) seeking authorization to reject the GATX Corporation lease of certain blow molding machines no longer necessary for the Debtors' operations and that is not being assumed and assigned to JCIM

pursuant to the Interiors Sale, which motion was granted by order entered on July 31, 2008 (Docket No. 2352).

- Fifth Omnibus Motion (Docket No. 2184) seeking authorization to reject the lease of certain forklifts and other equipment no longer necessary for the Debtors' operations and that is not being assumed and assigned to JCIM pursuant to the Interiors Sale, which motion was granted by order entered on July 30, 2008 (Docket No. 2351).

- Sixth Omnibus Motion (Docket No. 2186) seeking authorization to reject the lease of certain intellectual technology equipment no longer necessary for the Debtors' operations and that is not being assumed and assigned to JCIM pursuant to the Interiors Sale, which motion was granted on the record at the hearing held on July 31, 2008.

- Seventh Omnibus Motion (Docket No. 2334) seeking authorization to reject certain machinery and equipment leases and related subleases that are no longer necessary for the Debtors' operations and that are not being assumed and assigned to JCIM pursuant to the Interiors Sale.

- Eighth Omnibus Motion (Docket No. 2337) seeking authorization to reject certain machinery and equipment leases and related sublease no longer necessary for the Debtors' operations and that are not being assumed and assigned to JCIM pursuant to the Interiors Sale.

- Ninth Omnibus Motion (Docket No. 2361) seeking authorization to reject certain intellectual technology equipment, copier and other leases no longer necessary for the Debtors' operations and that are not being assumed and assigned to JCIM pursuant to the Interiors Sale. A hearing on this motion has been scheduled for August 21, 2008 at 9:30 a.m.

5. Extension of Exclusive Periods

Pursuant to an agreed order of the Bankruptcy Court dated May 14, 2008 (Docket No. 1333), the Bankruptcy Court extended the Debtors' exclusive period to propose a plan (the "Plan Proposal Period") and to solicit acceptances of such plan (the "Solicitation Period", and together with the Plan Proposal Period, the "Exclusive Periods") through June 3, 2008 and August 4, 2008, respectively. Pursuant to a Stipulation (Docket No. 2075) and subsequent order of the Bankruptcy Court dated July 8, 2008 (Docket No. 2087), the Plan Proposal Period was further extended through July 31, 2008, and the Solicitation Period was extended through August 4, 2008. On July 14, 2008, the Debtors filed a Second Motion for an Order Under Bankruptcy Code Section 1121(d) Extending Exclusive Periods During Which Debtors May File and Solicit Acceptance of a Plan of Reorganization (Docket No. 2164) (the "Extension Motion") seeking to extend the Plan Proposal Period through September 28, 2008 and seeking to extend the Solicitation Period through November 28, 2008. On July 30, 2008, the Court entered an order approving these dates (Docket No. 2347).

6. Reclamation Claims Process

On February 21, 2008, the Bankruptcy Court entered an order (Docket No. 346) (the "Reclamation Procedures Order") allowing those vendors who shipped goods that were delivered, received, and accepted by the Debtors after the Petition Date an administrative expenses claim and allowing the Debtors in their discretion to pay such claims in the ordinary course. The Reclamation Procedures Order further provided the following procedure for processing and reconciliation of Reclamation Claims:

(a) Any person making a Reclamation Demand (the "Reclamation Claimant") was required to send any demand for reclamation of goods (a "Reclamation Demand") on the earlier of the date required by Bankruptcy Code section 546(c) or the date that was twenty (20) days after the Petition Date;

(b) The Debtors then had sixty (60) days following the Petition Date to set a proposed allowed amount or inform any Reclamation Claimant that the Reclamation Demand was rejected (each a "Rejected Reclamation Claim").

(c) The Debtors further had one hundred and twenty (120) days after the Petition Date within which to file a motion seeking to disallow the Rejected Reclamation Claims (the "Omnibus Reclamation Demand Objection").

Following the Petition Date, the Debtors received approximately seventy-five (75) Reclamation Demands from Reclamation Claimants in the aggregate amount of approximately $17.8 million. In accordance with the Reclamation Procedures Order, the Debtors provided each Reclamation Claimant with notice that its Reclamation Demand was rejected. In addition, on May 30, 2008, the Debtors filed their Omnibus Reclamation Demand Objection, objecting to all of the Reclamation Demands, on the grounds, among others, that the reclamation rights have no value under applicable state law because the floating lien on all of the Debtors' inventory exceeds the value of the inventory subject to the Reclamation Demands. The Debtors therefore requested by Motion for an Order Deeming Reclamation Claims to Be General Unsecured Claims (Docket No. 1504) (the "Reclamation Objection Motion"), that the Bankruptcy Court deem any Claims filed in connection with such demands to be general unsecured, non-priority Claims, subject to the Debtors' rights to further object to such reclassified claims as appropriate.

On July 11, 2008, the Court entered an Order (Docket No. 2144) (the "Reclamation Objection Order") granting the Reclamation Objection Motion, deeming Reclamation Claims to be general unsecured non-priority claims against the Debtors, not entitled to administrative treatment or replacement liens pursuant to Bankruptcy Code section 546, subject to all of the Debtors' rights to object to such unsecured claims on any grounds that governing law permits. Reclamation Claims will accordingly be treated as Class 7 General Unsecured Claims under the Plan pursuant to the Reclamation Objection Order.

7. Continued Funding and Liquidation of Canadian Operations

As noted above, on or about February 8, 2008, the Bankruptcy Court entered the Canadian Funding Order permitting the Debtors to pay certain receivables owed to their Canadian affiliate, totaling $1.9 million. Subsequently, on April 29, 2008, the Debtors filed their Motion for Order under Bankruptcy Code sections 105(a) and 363 and Bankruptcy Rule 9019 Authorizing the Debtors to (I) Enter into Certain Transactions in Connection with the Winddown of Foreign Non-Debtor Affiliate and (II) Sell Certain Saleable Items in Connection Therewith (Docket No. 1165) (the "Canadian Wind-Down Motion"). By the Canadian Wind-Down Motion, the Debtors sought approval of the Debtors' entry into that certain Accommodation Agreement by and between GM, Ford, Chrysler, LDM and Plastech (the " Canadian Accommodation Agreement") and that certain letter agreement by and between LDM and Plastech regarding the provision of management services (the " Canadian Management Agreement"). Through the Canadian Accommodation Agreement and the Canadian Management Agreement, the Debtors sought to implement a structure for the orderly wind-down of LDM with the cooperation and funding of GM, Ford, and Chrysler, and in a manner that provided for minimal disruption to the operations of such customers of the Debtors. Moreover, pursuant to the Canadian Accommodation Agreement and the Canadian Management Agreement, Plastech is entitled to a $1,000,000 management fee (the " Canadian Management Fee") for, among other things, services rendered by Plastech employees in connection with LDM's winddown.

Pursuant to an order (Docket No. 1374) (the "Canadian Wind-Down Order") entered on May 16, 2008, the Bankruptcy Court approved the Canadian Wind-Down Motion, including the Debtors' entry into the Accommodation Agreement and the Management Agreement. On June 12, 2008 LDM made an assignment in bankruptcy (the "Canadian Bankruptcy") in Toronto, Ontario, Canada and BDO Dunwoody Limited ("BDO") was appointed as trustee. After obtaining an independent legal opinion on the validity of security interest held by BBK Limited ("BBK") as agent for GM, Ford and Chrysler, BDO accepted the appointment as receiver for LDM (the "Receiver") on June 13, 2008. On or about June 17, 2008 and with the consent of GM, Ford and Chrysler, BDO completed a sale of machinery, equipment and remaining raw material inventory to Asset Engineering LLP ("AEL"). Moreover, BDO's preliminary estimate of LDM's net loan balance to GM, Ford and Chrysler under the Accommodation Agreement as of June 19, 2008 is $436,000 (the "LDM Secured Debt"). On July 2, 2008, the Debtors filed a proof of claim against LDM in the Canadian Bankruptcy in the unsecured amount of $22,145,546.00 on account of intercompany debt and interest. LDM is continuing to dispose of assets and pay down the LDM Secured Debt in the Canadian Bankruptcy proceeding and through the Receiver, although as of the date of this Disclosure Statement, the Debtors have not yet received the Canadian Management Fee nor any distribution from the Receiver in the Canadian Bankruptcy proceeding.

H. Summary of Claims Process and Bar Dates

1. Schedules and Statements of Financial Affairs

The Debtors filed Schedules of Assets and Liabilities and Statements of Financial Affairs (collectively, the "Schedules and Statements") with the Bankruptcy Court on April 30, 2008

(Docket Nos. 1185 - 1202). Among other things, the Schedules and Statements set forth the Claims of known Creditors against each of the Debtors as of the Petition Date, based upon the Debtors' books and records. Voting and distribution rights under the Plan with respect to each Creditor will be determined by the Schedules and timely Filed Proofs of Claim, but the Debtors reserve all rights to seek reclassification of Claims among each Debtor entity.

2. 503(b)(9) Claims Bar Date

By order (Docket No. 1083) (the "503(b)(9) Bar Date Order"), entered on April 21, 2008, the Bankruptcy Court established May 30, 2008, as the bar date for filing 503(b)(9) Claims. Notice of such bar date was published on May 12, 2008, in the Detroit Free Press. As of the date of this Disclosure Statement, the Debtors and/or their Claims Agent had received 1,605 503(b)(9) Claims, totaling $29,991,606.77. The Debtors have filed and anticipate filing objections to numerous 503(b)(9) Claims. Pursuant to the Wind-Down Budget attached to the Funding Agreement, the Major Customers and the Term Lenders have provided $17 million towards the payment of such Claims. See Funding Agreement Section 2.

Due to the sheer number of 503(b)(9) Claims filed, the legal and factual issues such Claims and objections thereto raise, and the approval and consummation of the Sales and Sale-Related Settlements that have occurred since the entry of the 503(b)(9) Bar Date Order, the Debtors moved (the "503(b)(9) Claims Resolution Motion") (Docket No. 2156) to amend the 503(b)(9) Bar Date Order to modify the deadlines set forth therein and to establish certain procedures for the resolution of 503(b)(9) Claims (the "Section 503(b)(9) Claims Resolution Procedures"). On July 28, 2008, the Court entered an order granting the 503(b)(9) Claims Resolution Motion (Docket No. 2368).

3. Claims Bar Date and Proofs of Claim

By order entered May 14, 2008, the Bankruptcy Court established June 30, 2008 at 5:00 p.m. Eastern Time as the general bar date for filing nongovernmental Proofs of Claim against the Debtors (the "General Bar Date"). Governmental units are required to file proofs of claim by July 30, 2008 at 5:00 p.m. and the Bankruptcy Court established June 30, 2008 at 5:00 p.m. Eastern Time as the bar date for filing initial administrative claim requests (first arising from and after the Petition Date through and including May 30, 2008 (the "Initial Administrative Bar Date")). Notice of the General Bar Date and the Initial Administrative Bar Date was mailed to Creditors on May 29, 2008, and notice of the General Bar Date and the Administrative Bar Date was published in the Detroit Free Press and The New York Times on May 27, 2008. The Bankruptcy Court's order bars any Holder of a Claim that does not file a Proof of Claim or Administrative Claim Request required to be filed by the General Bar Date or the Administrative Bar Date from asserting any such Claim against the Debtors.

I. The Sales

1. The Bid Procedures and Sale Motion

In furtherance of the Debtors' restructuring alternatives and in accordance with their obligations under the Customer Financing facility, on May 16, 2008 the Debtors filed the Bid Procedures Motion (Docket No. 1383) seeking approval of a sale process, including bid

procedures, pursuant to which the Debtors could solicit a Stalking Horse Bidder or Bidders for all or part of their Business Units and/or certain Miscellaneous Assets. On May 28, 2008, the Bankruptcy Court entered an order (Docket No. 1462) (the "Bid Procedures Order") granting the Bid Procedures Motion. Pursuant to the Bid Procedures Order, the Debtors held an auction for the Business Units and/or certain Miscellaneous Assets on June 16, 2008.

On May 29, 2008, the Debtors filed a motion (Docket No. 1477) (the "Sale Motion") seeking approval of the Sales. On June 18, 2008, the Bankruptcy Court held a hearing (the "Sale Hearing") with respect to the Sale Motion. After the Sale Hearing, the Bankruptcy Court entered orders approving the sale to certain purchasers of the following Business Units and Miscellaneous Assets of the Debtors:

(a) Interiors Sale

Under a certain Asset Purchase Agreement dated June 12, 2008, JCIM, LLC ("JCIM"), an affiliate of JCI, and Goldman Sachs Credit Partners, L.P., solely in its capacity as collateral agent for the First Lien Term Loan agreed to purchase the Debtors' Interiors Business in exchange for (a) $160 million in First Lien Term Loan credit bid indebtedness, (b) the assumption of certain liabilities and (c) $39.5 million in Cash.

The Court approved the Interiors Sale by Order Granting Debtors' Motion for an Order (A) Approving the Proposed Sale(s) of One or More of the Debtors' Business Units and/or Miscellaneous Assets (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Non-Residential Real Property Leases, and (C) Granting Certain Related Relief with Regard to the Debtors' Sale of Its Interior and Underhood Business Including Such Business and Other Business Conducted at Certain Facilities to JCIM, LLC (Docket No. 1837) (the "Interiors Order").

The Interiors Sale was consummated effective as of July 1, 2008 at 12:01 a.m.

(b) Exteriors Sale

Under a certain Asset Purchase Agreement dated on or about June 12, 2008, Decoma International of America, Inc. ("Decoma") and Goldman Sachs Credit Partners L.P., solely in its capacity as collateral agent for the First Term Loan agreed to purchase the Debtors' Exteriors Business in exchange for (a) $24.67 million in First Lien Term Loan credit bid indebtedness, (b) the assumption of certain liabilities and (c) an inventory purchase price for certain raw materials, component parts, work-in-process, service parts and spare parts inventory to be calculated based upon actual inventory shipped to the purchaser.

The Court approved the Exteriors Sale by Order Granting Debtors' Motion for an Order (A) Approving the Proposed Sale(s) of One or More of the Debtors' Business Units and/or Miscellaneous Assets, (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Non-Residential Real Property Leases, and (C) Granting Certain Related Relief with Regard to the Debtors' Sale of Its Exteriors Business to Decoma International of America, Inc. (Docket No. 1920) (the "Exteriors Order").

The Exteriors Sale was consummated effective as of July 1, 2008 at 12:01 a.m.

(c) Carpet Business Sale

Under a certain Asset Purchase Agreement dated June 17, 2008, BBI Enterprises Group Inc. agreed to purchase the Debtors' Carpet Business in exchange for $650,000.

The Court approved the Carpet Business Sale by Order Granting Debtors' Motion for an Order (A) Approving the Proposed Sale of Miscellaneous Assets to BBI Enterprises Group, Inc., and (B) Granting Certain Related Relief (Docket No. 1840).

The Carpet Business Sale was consummated on June 30, 2008.

(d) H&P Die/Stamping Business Sale

Under a certain Asset Purchase Agreement dated June 12, 2008, JD Norman Ohio Holdings, Inc. ("JD Norman") agreed to purchase the Debtors' Stamping Business in exchange for $4.5 million, subject to inventory adjustment based upon actual physical inventory of the Stamping Business (the "Original Stamping APA").

The Court approved the Original Stamping APA by Order Granting Debtors' Motion for an Order (A) Approving the Proposed Sale(s) of One or More of the Debtors' Business Units and/or Miscellaneous Assets (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Non-Residential Real Property Leases, and (C) Granting Certain Related Relief (Docket No. 1839) (the "Stamping Business Sale Order").

On or about June 27, 2008, JD Norman indicated that it was unable to close on the Initial Stamping APA and consummate the proposed sale of the Debtors' Stamping Business in its entirety. Accordingly, on or about July 18, 2008 the Debtors and JD Norman entered into that certain First Amended and Restated Asset Purchase Agreement (the "Amended Stamping APA") whereby JD Norman agreed to purchase certain owned assets and assume certain liabilities relating to the Debtors' stamping facility located at the Debtors' manufacturing facility located at 4650 Tiedman Road, Brooklyn, Ohio 44144, sometimes referred to as "H&P Die/Stamping" (such business as conducted only at H&P Die/Stamping, the "H&P Die/Stamping Business") for the aggregate consideration equal to One Million, Seven Hundred Thousand Dollars ($1,700,000), including the deposit of Two Hundred and Fifty Thousand Dollars ($250,000) originally provided to the Debtors under the Original Stamping APA and subject to an inventory adjustment (the "H&P Die/Stamping Business Sale").

The H&P Die/Stamping Business Sale was consummated pursuant to the Stamping Business Sale Order on July 18, 2008.

(e) Ford Patents Sale

Under a certain Asset Purchase Agreement dated June 13, 2008, Ford Global Technologies, LLC agreed to purchase the Debtors' right, title and interest in US Patent No. 7121604 and US Patent No. 7007995 in exchange for $40,000.

The Court approved the Ford Patents Sale by Order Granting Debtors' Motion for an Order (A) Authorizing and Approving the Proposed Sale of US Patent Nos. 7,121,604 and

7,007,995 to Ford Global Technologies, LLC, as a Miscellaneous Asset Sale, Free and Clear of All Liens, Claims, Interests and Encumbrances and (B) Granting Certain Related Relief (Docket No. 1853)

The Ford Patents Sale was consummated on or about July 17, 2008.

2. The Non-Residential Real Property Lease and Executory Contract Cure Motions

In connection with and in furtherance of the Sale Motion, on May 29, 2008, the Debtors filed two motions, one seeking to fix the cure amounts for certain non-residential real property leases between one or more of the Debtors and the landlords for certain leased premises (Docket No. 1475) (the "Real Property Cure Motion") and one seeking to establish cure amounts for certain executory contracts between one or more of the Debtors and third-parties (Docket No. 1473) (the "Executory Contract Cure Motion"). A hearing with respect to the Real Property Cure Motion and the Executory Contract Cure Motion was held on June 18, 2008, after which both motions were withdrawn because neither JCIM nor Decoma sought the assumption and assignment of any non-residential real property leases and executory contracts pursuant to the Interiors Order and/or the Exteriors Order.

3. The Tax Claims Motion

In connection with and in furtherance of the Sale Motion, on May 30, 2008, the Debtors also filed a motion (Docket No. 1506) (the "Tax Liability Motion") under Bankruptcy Code sections 105, 505 and 506, seeking a preliminary determination of their maximum tax liability as of June 30, 2008. As set forth in the Tax Liability Motion, such a determination was critical to the Debtors' ability to consummate one or more of the Sales, especially the Interiors Sale and the Exteriors Sale. In both such Sales, the Term Lenders agreed to pay such tax liabilities at Closing or to take any assets purchased subject to such tax liabilities. On June 19, 2008, the Court entered an order granting the Debtors' Tax Liability Motion (Docket No. 1854) with respect to those taxing authorities that did not object to the Tax Liability Motion. On July 7, 2008, the Court entered an agreed order between the Debtors and the City of Port Huron granting the Debtors' Tax Liability Motion with respect to the City of Port Huron (Docket No. 2115) and on July 9, 2008 the Court entered an agreed order between the Debtors and Williamson County Trustee and the City of Franklin Tax Collector granting the Debtors' Tax Liability Motion with respect to Williamson County Trustee and the City of Franklin Tax Collector (Docket No. 2116).

J. The Sale-Related Settlements

In connection with the Sales of the Interiors Business and the Exteriors Business and in furtherance of one or more credit bids made by the agents for the First Lien Term Lenders pursuant to Bankruptcy Code section 363(k), the Debtors and their major constituencies entered into a series of settlements in order to advance the Interiors Sale and the Exteriors Sale and resolve all disputes in connection therewith. Nothing in the Plan or this Disclosure Statement is intended to supersede, modify or amend the terms of the Sale-Related Settlements.

1. The Committee Settlement

Pursuant to the settlement (the "Committee Settlement") entered into by and between the Committee and the Steering Committee of First Lien Term Loan Lenders (the "Steering Committee") the First Lien Term Lenders, upon the satisfaction of the conditions set forth in the Committee Settlement, agreed to make a lump sum contribution of $14 million in cash from the proceeds of the Interiors Sale to a liquidation agent, trust, or similar entity authorized to hold such funds for the sole and exclusive benefit of the general, non-priority unsecured creditors of the Debtors' Estates (the "First Lien Term Lender Contribution").

In addition, the First Lien Term Lenders made available to the Debtors' Estates (i) up to $17 million to cover 50% of the expenses associated with a plan of liquidation and the wind down of the Debtors' estates after the closing of Interiors Sale and the Exteriors Sale and (ii) up to $8.5 million to cover 50% of the Allowed 503(b)(9) Claims.

Furthermore, the Term Lenders waived any right to receive (i) any part of the First Lien Term Lender Contribution and (ii) any proceeds of Avoidance Actions, in each case, whether on account of any secured, super-priority, administrative priority or other priority, and/or unsecured or unsecured deficiency claim.

The Committee Settlement was approved by the Court on June 27, 2008 (Docket No. 2005).

2. The Brown Settlement

Pursuant to settlement agreement (the "Brown Settlement") entered into by and among Julie N. Brown ("Brown"), James A. Brown and/or their family members and entities owned or controlled by Brown and/or her family members (the "Brown Entities") and the Steering Committee, upon the closing of the Interiors Sale, Brown received a sale fee from the First Lien Term Lenders in the amount of $9.25 million (the "Brown Sale Fee"). In addition, Plastech Holding Company, a non-debtor Brown Entity ("PHC") will retain ownership of all its properties, and has agreed to enter into amended and extended leases of certain facilities with JCIM. Pursuant to the Brown Settlement, Brown, all family members and all Brown Entities will cooperate fully with all aspects of the Interiors Sale and the Exteriors Sale. Additionally, Brown will retain the proceeds of the T-Ink Settlement (as defined below) (other than approximately $175,000 in legal fees and expenses payable to the Debtors). The Brown Settlement further provides that the Steering Committee will direct the collateral agent for the First Lien Term Lenders to consent to the Debtors' transfer of the proceeds of the Carpet Business Sale to Brown.

The Brown Settlement provides for the exchange of certain releases by and between the Brown Group, the Debtors, and a majority of the First Lien Term Lenders. The Brown Settlement also contains a provision providing that under no circumstances shall Brown or any member of the Brown Entities seek from the Term Lenders, nor shall the Term Lenders have any duty to provide, any indemnity for any tax liability of Brown, the Brown Entities or the Debtors' Estates arising from the Sales or other transactions contemplated by the Brown Settlement. The purchase price of the Sales will be allocated in accordance with the Brown Tax Allocation

Agreement, subject to the allocation rules of Section 1060 of the Internal Revenue Code. Furthermore, Brown has agreed to support the appointment of an estate representative selected by the Steering Committee and the Creditors' Committee in consultation with the Debtors to wind down the Chapter 11 Cases and liquidate the Debtors' Estates.

The Brown Settlement was approved by the Court on June 27, 2008 (Docket No. 2005).

3. The T-Ink Settlement

In connection with the Brown Settlement and the Interiors Sale and the Exteriors Sale, the Debtors additionally sought approval of that certain settlement agreement (the "T-Ink Settlement") entered into between and among: the Debtors, Andrew Ferber ("Ferber"), John Gentile ("Gentile"), T-Ink, Inc. (formerly T-Ink, LLC) ("T-Ink"), Brown, Jeffrey R. Engel ("Engel"), and Ink-Logix, LLC ("Ink-Logix" and collectively, the "T-Ink Parties"). Prior to the Petition Date, certain of the parties entered into the Limited Liability Company Agreement of P-Inc. Holdings, LLC (the "LLC Agreement"). These parties included T-Ink, Brown, and Engel. P-Inc Holdings subsequently changed its name to Ink-Logix. Pursuant to the LLC Agreement, Brown obtained certain interests in Ink-Logix and each of the two Series (as defined in the LLC Agreement). Additionally, the LLC Agreement required Brown, who is the sole member of Plastech Engineered Products, Inc. ("Plastech"), one of the Debtors, to make a $2,000,000 initial capital contribution and subsequent contributions up to $2,000,000 if certain milestones were met. In June of 2006, Plastech Holdings, Inc. paid the initial $2,000,000 contribution to T-Ink on behalf of Brown as a distribution of retained earnings to Brown. Later, in 2006, Plastech Holdings transferred $234,000 to Ink-Logix on behalf of Brown as a distribution of retained earnings to Brown.

On July 23, 2007, T-Ink commenced an arbitration against Brown, which is captioned T-Ink, LLC v. Brown, No. 14 188 Y 01200 07 (the "Arbitration"). Later, on January 16, 2008, Brown filed counterclaims in the Arbitration as well as a motion to dismiss certain of T-Inks' claims in the Arbitration. That same day, T-Ink and Ink-Logix filed an action in the Wayne County Circuit Court of Michigan captioned T-Ink, LLC v. Plastech Engineered Products, Inc., Case No. 07-719579 CZ (the "Michigan State Action"). Also, in the Michigan State Action, Brown intervened and Plastech filed counterclaims and third-party complaints against Gentile, Ferber, and Engel. The Michigan State Action was stayed on February 1, 2008 pending the outcome of the Arbitration. The very next day, on July 24, 2007, Brown filed an action in the U.S. District Court for the Eastern District of Michigan, captioned Brown v. T-Ink, LLC, No. 2:07-cv-13111 (the "Michigan Federal Action").

On August 29, 2007, Brown filed an action in the Delaware Court of Chancery, captioned Brown v. T-Ink, LLC, C.A. No. 3190-VCP (the "Delaware Action"). In the Delaware Action, Brown sought to enjoin the Arbitration. The Court of Chancery on December 3, 2007 entered an order enjoining the Arbitration in part and dismissing it in part. In addition to the T-Ink Settlement Agreement, certain of the T-Ink Parties have also entered into an agreement to settle certain claims with Plastech Holding Company ("Plastech Holdings"), an affiliate of the Debtors, but not a debtor in the above-captioned chapter 11 cases.

Pursuant to the T-Ink Settlement, the T-Ink Parties agreed to file stipulations of dismissal with prejudice in the Delaware Action, the Michigan State Action and the Arbitration. Within (3) days of the dismissal of the Delaware Action, the Michigan State Action or the Arbitration, whichever is latest, (a) T-Ink will cause to be paid to Brown the sum of $1,898,608.78; (b) all members of Ink-Logix will authorize payment to Brown of all amounts, not in excess of $125,348.00 which are on deposit at a bank account belonging to Ink-Logix, and (c) T-Ink will cause to be paid to Plastech, the sum of $176,391.22.

In consideration of the payments made, Brown will sell, transfer, and assign to T-Ink, and T-Ink will purchase from Brown, her entire interest in Ink-Logix as a member of Ink-Logix and her entire interest in each Series of Ink-Logix. The Parties Agree that Brown will cease to be a member of Ink-Logix. Additionally, the T-Ink Parties agree that T-Ink will and/or its selected tax advisor will promptly commence the preparation and filing of various state and federal tax returns and schedules for Ink-Logix for calendar years 2006 and 2007, subject to Brown's reasonable review and approval. Moreover, the T-Ink Parties agree that Brown will execute all documents necessary to cause the Ink Logix bank account to be closed.

Additionally, the T-Ink Parties agree that Plastech will cause to be executed the Assignment Agreement, which is attached as Schedule 1 to the T-Ink Settlement agreement, to confirm Ink-Logix's right, title, and interest in and to the Ink-Logix Intellectual Property, as the term is defined in the Assignment Agreement. The T-Ink Parties agree that Brown will not have any interest whatsoever (whether legal, beneficial, economic or otherwise) in the Company Assets, the Separate Assets of any Series, the Company Intellectual Property, Ink-Logix, any Series or T-Ink (each as defined in the T-Ink Settlement).

Finally, the T-Ink Parties agree that (a) T-Ink is to release Brown and Plastech, (b) Engel is to release Brown and Plastech, (c) Brown is to release T-Ink, Ink-Logix, Engel, Ferber, Gentile and Plastech (d) Plastech is to release T-Ink, Ink-Logix, Engel, Ferber, Brown and Gentile, and (e) Ink-Logix is to release T-Ink, Engel, Brown and Plastech, all with respect to the matters set forth in the T-Ink Settlement.

The T-Ink Settlement was approved by the Court on June 27, 2008 (Docket No. 1986).

4. The Term Lender Settlement

In order to facilitate the Credit Bid, the Debtors and the Term Lender Parties (as defined below) entered into that certain settlement embodied in the Order Granting Debtors' Emergency Motion For Order Pursuant To Bankruptcy Code sections 105, 363, 364, and 506 and Fed. R. Bankr. P. 9019 Approving Settlement Between the Debtors, the First Lien Term Lender Parties and the Second Lien Term Lender Parties (Docket No. 2006) (the "Term Lender Settlement Order"). As set forth in the Term Lender Settlement Order, the Debtors confirmed that the Term Lenders' secured claims in the total amount of (a) $265 million in principal amount of the Obligations issued under, and as defined in, the First Lien Term Loan Credit Agreement, and (b) $100 million in principal amount of Obligations issued under, and as defined in, the Second Lien Term Loan Credit Agreement, (each of (a) and (b), whether secured or unsecured, the "Prepetition Debt") are allowed (i) as secured claims against the Debtors and their estates (the "Secured Prepetition Debt") to the extent of (x) any "credit bids" by either or both Goldman

Sachs Credit Partners L.P., as lead arranger, syndication agent, administrative agent and collateral agent (the "First Lien Agent" and solely in its capacity as collateral agent, the "First Lien Collateral Agent")) and Goldman Sachs Credit Partners L.P., as lead arranger and syndication agent and Bank of New York as administrative agent and collateral agent (Goldman Sachs Credit Partners L.P. and Bank of New York in such capacities, collectively, the "Second Lien Agent" and Bank of New York solely in its capacity as collateral agent, the "Second Lien Collateral Agent"; the First Lien Agent and the Second Lien Agent, collectively, the "Agents" and the First Lien Collateral Agent and the Second Lien Collateral Agent, collectively, the "Collateral Agents")) on behalf of their respective Term Lenders and Agents (the Term Lenders and the Agents collectively, the "Term Lender Parties") for the Debtors' Interiors Business and Exteriors Business plus (y) the value of the Term Lender Parties' respective liens on all other collateral securing their respective Prepetition Debt, and (ii) as unsecured claims against the Debtors and their estates (the "Unsecured Prepetition Debt") to the extent of any Prepetition Debt not constituting Secured Prepetition Debt.

Moreover, and in exchange for the consideration provided by the Term Lender Parties pursuant to (a) any "credit bid" for the Debtors' Interiors Business and Exteriors Business, (b) the Funding Agreement (as defined below), (c) the Brown Settlement, (d) the Committee Settlement, and (e) the First Lien/Second Lien Term Lender Settlement (as defined below) (collectively, the "Term Lender Consideration"), the Debtors agree that the Prepetition Debt may not be subject to offset, counterclaim, recoupment, avoidance, recharacterization or equitable subordination by or on behalf of the Debtors and their respective Estates except as expressly provided in the Committee Settlement.

The Term Lender Settlement Order likewise approved the waiver and release of any and all claims of the Debtors and their respective Estates against any or all of the Term Lender Parties under or in connection with the Term Loan Facilities, in each case including without limitation any and all claims under contract or tort lender liability theories or pursuant to Bankruptcy Code sections 105, 510, 544, 547, 548, 549, 550 or 553, in exchange for the Term Lender Consideration, other than claims, counterclaims, defenses, setoffs or causes of action against any Agent in response to or as a result of any such claims such Agent may assert against the Debtors, their Estates or their directors and officers (other than the Primary Shareholder and the Brown Entities), which claims, counterclaims, defenses, setoffs or causes of action of the Debtors, their estates and/or their directors and officers are expressly maintained. The Term Lender Settlement Order additionally approved a waiver of any and all claims of rights to surcharge under Bankruptcy Code section 506(c) or otherwise; and in each case in order to facilitate, among other things, the sales of the Debtors' Interiors Business and Exteriors Business and the credit bid(s) of the Collateral Agents under Bankruptcy Code section 363(k) in connection therewith.

Finally, the First Lien Lenders and the Second Lien Lenders (but not the Agents) fully released, discharged, and acquitted the Debtors' directors, officers and employees in their capacities as directors, officers and employees of the Debtors (other than the Primary Shareholder and the Brown Entities) from and against any and all claims (other than the Prepetition Debt), in law or in equity, including any claim under any contract or tort liability theories or pursuant to any section of the Bankruptcy Code, or any costs or expenses, in connection with any and all such claims (in each case, whether known or unknown, suspected or

unsuspected, accrued or unaccrued, asserted or not asserted, contingent or non-contingent), or any act or failure to act thereunder, from the beginning of time through the date of the Term Lender Settlement Order; provided, however, that the releases of Julie N. Brown, James A. Brown, and the other members of the Brown Entities are subject to and governed by the Brown Settlement.

The Term Lender Settlement was approved by the Court on June 27, 2008 (Docket No. 2006).

5. Funding Agreement

In furtherance of the Interiors Sale and the Exteriors Sale and to provide the Debtors with funding to winddown their estates and make payments to Holders of valid, Allowed Claims under Bankruptcy Code section 503(b)(9), the Debtors, the Steering Committee and the Major Customers (collectively, the "Winddown Parties") entered into an agreement to provide funding to pay the Debtors' budgeted winddown expenses and claims under Bankruptcy Code section 503(b)(9) allowed pursuant to orders entered by the Bankruptcy Court (the "Allowed 503(b)(9) Claims") up to $17 million (the "Funding Agreement").

Specifically, and pursuant to the Funding Agreement, the Major Customers funded one-half of the Debtors' expenses associated with the winddown of the Debtors' operations (the "Winddown Expenses") and as set forth on the Winddown Budget up to a cap of $17 million, and one-half of the Allowed 503(b)(9) Claims up to a cap of $8.5 million, subject to the limitations and conditions in the Funding Agreement. Similarly, the First Lien Term Lenders and the Second Lien Term Lenders (together, the "Term Lenders") funded one-half of the Winddown Expenses up to a cap of $17 million and one-half of the Allowed 503(b)(9) Claims up to a cap of $8.5 million, subject to the limitations and conditions in the Funding Agreement.

Upon the closing of the Interiors Sale and pursuant to the Funding Agreement, the Debtors released the Major Customers from any and all claims that the Debtors had and/or thereafter may have against any Major Customer at any time prior to the closing of the Interiors Sale (the "Release Effective Date") that relate in any way to each Major Customer's respective relationships with the Debtors (subject to the exceptions below, collectively, the "Released Customer Claims") except that the foregoing release does not apply to (i) any claims against any Major Customer arising under the Funding Agreement, (ii) the Major Customers or Customers obligations as postpetition lenders to Debtors and/or as purchasers of a 100% participation in any remaining prepetition loans under Debtors' prepetition Revolving Credit Facility as provided in the Final DIP Order, and (iii) claims of any Debtor against any Major Customer arising under any written agreement between the applicable Major Customer, on the one hand, and any or all of the Debtors and the Term Lender Parties, on the other hand, that is entered into contemporaneously with or after the execution of the Funding Agreement.

Upon the closing of the Interiors Sale and pursuant to the Funding Agreement, the Term Lenders holding more than 50% percent of the outstanding principal amount of the First Lien Term Loan Indebtedness or the Second Lien Term Loan Indebtedness, as the case may be (collectively, the "Required First and Second Lien Term Loan Lenders") (and their successors and assigns), solely in their capacities as First Lien Term Lenders or Second Lien Term Lenders

and not in any other capacity, effective as of the Release Effective Date, pursuant to which each such First or Second Lien Term Lender forever released and discharged the Major Customers from any and all claims that such First or Second Lien Term Lender had and/or thereafter may have against any Major Customer at any time prior to the Release Effective Date solely to the extent that such claims relate in any way to the Debtors (subject to the exceptions below, collectively, the "Released Customer Claims") except that the foregoing release did not apply to (i) any claims against any Major Customer arising under the Funding Agreement, (ii) any claims against any Major Customer under any order approving the Debtors' and the Major Customers proposed tooling procedures (the "Tooling Order"), (iii) claims against any Major Customer arising under any written agreement between the applicable Major Customer, on the one hand, and any or all of the Debtors and the Term Lender Parties, on the other hand, that is entered into contemporaneously with or after the execution of the Funding Agreement; or (iv) any claims of any Required First and Second Lien Term Loan Lender against any Major Customer in connection with any dealings or relationship such Term Lender has with such Major Customer in any non-Term Lender capacity.

Upon the closing of the Interiors Sale and pursuant to the Funding Agreement, the Major Customers and their respective successors and assigns of the Debtors and their respective Estates, effective as of the Release Effective Date, released and forever relieved and discharged the Debtors and their respective Estates, and the Term Lender Parties (and their successors and assigns) from any and all claims, that the Major Customers and their respective successors and assigns had and/or thereafter may have against the Debtors and their respective Estates or the Term Lender Parties (and their successors and assigns) at any time prior to the Release Effective Date solely that relate in any way to each Major Customer's respective relationships with the Debtors (subject to the exceptions set forth below, collectively, (the "Released Debtor/Term Lender Party Claims") except that the foregoing release did not apply to (i) any claims of the Major Customers against or in respect of any Liquid Collateral under the Final DIP Order or otherwise, including liens, security interests and setoff and recoupment rights against any Liquid Collateral, (ii) claims arising under the Funding Agreement, including those obligations of the Debtors under paragraph 9(e) of the Interim DIP Order, (iii) claims the Major Customers may have against third parties who claim liens or security interests in any tooling, (iv) claims, if any, against any of the Term Lender Parties arising under written agreements between the applicable Major Customer, on the one hand, and any or all of the Debtors and/or the Term Lender Parties, on the other hand, that is entered into contemporaneously with or after the execution of the Funding Agreement; or (v) any claims of any Major Customer against any Term Lender Party in connection with any dealings or relationship such Major Customer has with such Term Lender Party in any non-Term Lender Party capacity.

Finally, pursuant to the Funding Agreement, Chrysler, the Term Lender Parties and the Debtors agreed to dismiss the actions, counter-actions and cross-actions (collectively, the "Appeals") filed by Chrysler, the Debtors and the Term Lender Parties in Adversary Proceeding Case Number 08-04120 in the Bankruptcy Court and Case Nos. 08-10873 and 08-11006 in the United States District Court for the Eastern District of Michigan (the "District Court"). On July 10, 2008, the District Court entered an order dismissing the Appeals (Docket No. 28).

The Funding Agreement was approved by the Court on June 27, 2008 (Docket No. 2008).

6. The Intercreditor Settlement

Certain Term Lenders representing a majority of First Lien Term Lenders and certain Term Lenders representing a majority of Second Lien Term Lenders entered into that certain intercreditor settlement (the "Intercreditor Settlement") in furtherance of the sales of the Interiors Business and the Exteriors Business. The Intercreditor Settlement represents a compromise of potential disputes under the Intercreditor Agreement, to which the Debtors are a party. The Intercreditor Settlement provides for an allocation of proceeds from the Interiors Sale and the Exteriors Sale and from the sale or other disposition of other Fixed Collateral. Moreover, pursuant to the Intercreditor Settlement, the majority First Lien Term Lenders and the majority Second Lien Term Lenders agreed to take or refrain from taking certain actions in furtherance of the Interiors Sale and the Exteriors Sale, the Committee Settlement and the Brown Settlement, including support for the First Lien Term Lender Contribution, the Brown Sale Fee, the subordination of their Unsecured Deficiency Claims to the Claims of General Unsecured Creditors and support for the releases in the Brown Settlement.

The Intercreditor Settlement was approved by the Court on June 27, 2008 (Docket No. 2005).

VIII. SUMMARY OF THE PLAN OF LIQUIDATION

THIS SECTION PROVIDES A SUMMARY OF THE STRUCTURE, CLASSIFICATION, TREATMENT AND IMPLEMENTATION OF THE PLAN AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN, WHICH ACCOMPANIES THIS DISCLOSURE STATEMENT, AND TO THE EXHIBITS ATTACHED THERETO.

THE PLAN ITSELF AND THE DOCUMENTS REFERRED TO THEREIN WILL CONTROL THE TREATMENT OF CREDITORS AND EQUITY SECURITY HOLDERS UNDER THE PLAN AND WILL, UPON THE EFFECTIVE DATE, BE BINDING UPON HOLDERS OF CLAIMS AGAINST, OR INTERESTS IN, THE DEBTORS, THE REORGANIZED DEBTORS AND OTHER PARTIES IN INTEREST.

A. Purpose and Effect of the Plan

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. Under Chapter 11, a debtor is authorized to reorganize its business for the benefit of its creditors and shareholders. Chapter 11 also allows a debtor to formulate and consummate a plan of liquidation.

A plan of liquidation sets forth the means for satisfying claims against and interests in a debtor. Confirmation of a plan of liquidation by the Bankruptcy Court makes the plan binding upon the debtor and any creditor of or equity security holder in the debtor, whether or not such creditor or equity security holder (i) is impaired under or has accepted the plan or (ii) receives or retains any property under the plan.

Consistent with the Sales and Sales-Related Settlements, the consummation of which resulted in the sale of substantially all of the assets of the Debtors, the Plan contemplates the

distribution of the Debtors' remaining assets to various creditors and winddown of the Debtors' corporate affairs. The funding for the payment of Administrative Claims under the Plan will be derived from various sources including, but not limited to, the budgeted expenses provided for in the Final DIP Order, the proceeds of the Funding Agreement, other Sale-Related Settlements and Court orders. See Funding Agreement, Term Lender Settlement and Amended Final DIP Order. Funds available for distribution to Class 7 General Unsecured Creditors will come from, among other sources, the First Lien Term Lender Contribution and the Avoidance Actions. See Committee Settlement. Under the Plan, Claims against, and Interests in, the Debtors are divided into Classes according to their relative seniority and other criteria.

If the Plan is confirmed by the Bankruptcy Court and consummated, the Claims of the various Classes will be treated in accordance with the Plan provisions in the Plan for each such Class. On the Effective Date and at certain times thereafter, the Debtors will make Distributions to certain Classes of Claims as provided in such Plan. A general description of the Classes of Claims against the Debtors created under the Plan, the treatment of those Classes under the Plan, and the property to be distributed under the Plan are described below.

B. Limited Substantive Consolidation of Class 7 Claims

Based upon the results of the Sales, the recoveries thus far achieved by the DIP Lenders and Term Lenders, and the estimation of potential recoveries from the remaining assets in the Debtors' Estates, the Plan Proponents believe that limited substantive consolidation is necessary to effectuate a meaningful distribution to Unsecured Creditors as contemplated by the Plan funding, waivers by the Secured Lender Parties and other provisions embodied in the Sale-Related Settlements and the Final DIP Order.

1. DIP Collateral and Waiver of Deficiency Claim

The DIP Lenders were granted a first Lien on the Debtors' Liquid Collateral under the Final DIP Order, as well as a first Lien on any Additional DIP Collateral. Under the Final DIP Order, the DIP Lenders also waived any Liens, security interests or rights of payment or recovery in or to the Unencumbered Assets. Furthermore, pursuant to the Sale-Related Settlements, the DIP Lenders agreed to waive any Deficiency Claims arising on account of the DIP Facility Claims under certain terms and conditions as described in the Funding Agreement.

2. Term Lender Parties' Collateral and Subordination of Entitlement to Certain Recoveries by Term Lender Parties

The Term Lenders hold a first Lien on the Debtors' Fixed Collateral. The Term Lender Parties have agreed under the Committee Settlement and the Intercreditor Settlement to waive the right to receive (i) any part of the First Term Lender Contribution and (ii) the proceeds of any Avoidance Actions. As a result of such waiver, the Term Lenders will not be entitled to receive a Class 7 General Unsecured Claim Distribution absent payment in full of the Class 7 General Unsecured Claims, but will nevertheless retain Deficiency Claims to the extent the Collateral is insufficient to satisfy all Allowed Term Lender Claims.

All of the Debtors' assets and rights constitute Collateral of the Term Lender Parties except for the Unencumbered Assets, the entitlement to which has been waived by the Term

Lender Parties pursuant to the Sale-Related Settlements. Proceeds from Unencumbered Assets will be used to satisfy any Allowed Administrative Claims, then any Allowed Priority Claims, and finally any remaining Allowed General Unsecured Claims, but only to the extent not required to be paid pursuant to the Funding Agreement and the Final DIP Order. Absent the Creditors' Committee's negotiation of a $14 million carveout from the Term Lender Parties' Collateral, which carveout constitutes the First Lien Term Lender Contribution, General Unsecured Creditors would only be entitled to residual proceeds from the Unencumbered Assets and any Available Additional DIP Collateral Proceeds. Under the Plan, however, Holders of Allowed General Unsecured Claims are entitled to a pro rata share of the First Lien Term Loan Contribution in addition to any residual proceeds from the Unencumbered Assets and any Available Additional DIP Collateral Proceeds. The Debtors are therefore seeking consolidation of Class 7 General Unsecured Claims for voting and Distribution purposes in order to provide this Distribution to General Unsecured Creditors.

Accordingly, for the purposes of effectuating the Plan, including for purposes of voting, Confirmation and Distributions to be made under the Plan, the Debtors are seeking authority under section 105 of the Bankruptcy Code to substantively consolidate the Debtors solely with respect to Creditors who hold Class 7 General Unsecured Claims.

The Plan will serve as a motion seeking entry of an order consolidating the Debtors, as described and to the limited extent set forth above solely with respect to Class 7 General Unsecured Claims. Unless an objection to such consolidation is made in writing by any Creditor affected by the Plan, Filed with the Bankruptcy Court and served on the parties listed in Section XII.G of the Plan on or before five days before either the Voting Deadline or such other date as may be fixed by the Bankruptcy Court, the consolidation order (which may be the Confirmation Order) may be entered by the Bankruptcy Court. In the event any such objections are timely Filed, a hearing with respect thereto will occur at or before the Confirmation Hearing.

Such consolidation (other than for the purpose of effectuating the Plan) will not affect: (1) the legal and corporate structures of the Debtors; (2) pre- and post-Effective Date guarantees, liens and security interests that are required to be maintained (a) in connection with contracts or leases that were entered into during the Chapter 11 Cases or executory contracts and unexpired leases that have been or will be assumed or (b) pursuant to the Plan; (3) Subsidiary Interests between and among the Debtors; (4) distributions from any insurance policies or proceeds of such policies; and (5) the vesting of assets in the Liquidating Trust pursuant to Section V.F of the Plan.

C. Classification and Treatment of Claims and Interests

1. Unclassified Claims

(a) DIP Facility Claims

A DIP Facility Claim means a Claim of a DIP Lender arising under or as a result of the DIP Facility and/or the Final DIP Order.

All DIP Facility Claims shall be Allowed as provided in the Final DIP Order. On, or as soon as reasonably practicable after the Initial Distribution Date, each Holder of an Allowed DIP

Facility Claim shall receive, to the extent not previously received, in full satisfaction, settlement, release, and discharge of, and in exchange for such Allowed DIP Facility Claim, (i) Cash or other consideration from the proceeds of the liquidation of the Liquid Collateral and the Additional DIP Collateral securing the DIP Facility Claims and (ii) to the extent that such proceeds are not adequate to pay the DIP Facility Claims in full, a Deficiency Claim, provided, however, that the DIP Lenders will waive such Deficiency Claim in accordance with the Sale-Related Settlements.

The Debtors have estimated that the outstanding amount of the DIP Facility Claims, as of September 12, 2008, will aggregate to $**[_____]**. Based upon the estimated Reserves, the Plan Proponents believe that the Deficiency Claim will be between $0 and $**[_____]**.

(b) 503(b)(9) Claims

A 503(b)(9) Claim means a Claim to the extent asserted against one or more of the Debtors pursuant to Bankruptcy Code section 503(b)(9).

Except as otherwise provided in the Plan, and subject to the requirements of the Plan, on, or as soon as reasonably practicable after the later of (i) the Initial Distribution Date or (ii) the Distribution Date immediately following the date on which a 503(b)(9) Claim becomes an Allowed 503(b)(9) Claim, the Holder of such Allowed 503(b)(9) Claim shall receive, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed 503(b)(9) Claim, (a) Cash equal to the unpaid portion of the Face Amount of such Allowed 503(b)(9) Claim or (b) such other less favorable treatment as to which such Holder and the Debtors and/or the Liquidating Trustee shall have agreed upon in writing.

The Debtors have estimated that the aggregate amount of Allowed 503(b)(9) Claims payable under the Plan will be no more than $17 million.

(c) Administrative Claims

An Administrative Claim means a Claim arising under Bankruptcy Code section 507(a)(2) for costs and expenses of administration of the Chapter 11 Cases under Bankruptcy Code sections 503(b), 507(b), or 1114(e)(2), including: (a) any actual and necessary costs and expenses, incurred after the Petition Date, of preserving the Estates and operating the businesses of the Debtors (such as wages, salaries and commissions for services and payments for inventory, leased equipment and premises) and Claims of governmental units for taxes (including tax audit Claims related to tax years commencing after the Petition Date, but excluding Claims relating to tax periods, or portions thereof, ending on or before the Petition Date); and (b) all other claims entitled to administrative claim status pursuant to a Final Order of the Bankruptcy Court, but excluding Priority Tax Claims, Non-Tax Priority Claims, 503(b)(9) Claims, Trustee Fee Claims, Assumed Liabilities Claims and Professional Fee Claims.

Except as otherwise provided in the Plan, and subject to the requirements of the Plan, on, or as soon as reasonably practicable after the later of (i) the Initial Distribution Date or (ii) the Distribution Date immediately following the date on which an Administrative Claim becomes an Allowed Administrative Claim, the Holder of such Allowed Administrative Claim shall receive, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed

Administrative Claim, (a) Cash equal to the unpaid portion of the Face Amount of such Allowed Administrative Claim or (b) such other less favorable treatment as to which such Holder and the Debtors and/or the Liquidating Trustee shall have agreed upon in writing; provided, however, that Allowed Administrative Claims with respect to liabilities incurred by a Debtor in the ordinary course of business during the Chapter 11 Cases may be paid in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto (x) prior to the Effective Date, by the Debtors and/or the Purchaser(s) (as required by the terms of an applicable Asset Purchase Agreement), and (y) subsequent to the Effective Date, by the Liquidating Trustee and/or the Purchaser(s) (as required by the terms of an applicable Asset Purchase Agreement).

The Debtors have estimated that the aggregate amount of Administrative Claims payable under the Plan will be approximately $**[_____]**.

(d) Priority Tax Claims

A Priority Tax Claim means a Claim of a governmental unit of the kind specified in Bankruptcy Code sections 502(i) or 507(a)(8).

Except to the extent that an Allowed Priority Tax Claim has been paid prior to the Initial Distribution Date, a Holder of an Allowed Priority Tax Claim shall be entitled to receive from the Liquidating Trustee, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Priority Tax Claim, (i) deferred Cash payments over a period not exceeding five (5) years after the date of assessment of such Allowed Priority Tax Claim in an aggregate principal amount equal to the Face Amount of such Allowed Priority Tax Claim, plus interest on the unpaid portion thereof at the Case Interest Rate from the Effective Date through the date of payment thereof or (ii) such other less favorable treatment as to which such Holder and the Debtors and/or the Liquidating Trustee shall have agreed upon in writing. If deferred Cash payments are made to a Holder of an Allowed Priority Tax Claim, payments of principal shall be made in annual installments, each such installment amount being equal to ten percent (10%) of such Allowed Priority Tax Claim plus accrued and unpaid interest, with the first payment to be due on the first anniversary of the Initial Distribution Date, or as soon thereafter as is practicable, and subsequent payments to be due on the anniversary of the first payment date immediately following the date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon thereafter as is practicable; provided, however, that any installments remaining unpaid on the date that is five (5) years after the date of assessment of the tax that is the basis for the Allowed Priority Tax Claim shall be paid on the first Business Day following such date, or as soon as practicable thereafter, together with any accrued and unpaid interest to the date of payment; and provided, further, however, that the Liquidating Trustee shall have the right to accelerate payment of any Allowed Priority Tax Claim, or any portion or remaining balance of any Allowed Priority Tax Claim, at any time on or after the Effective Date without premium or penalty.

The Debtors have estimated that the aggregate amount of Allowed Priority Tax Claims payable under the Plan will be approximately $**[_____]**.

2. Impaired Voting Claims and Unimpaired Non-Voting Claims

(a) Class 1: First Lien Term Loan Claims

A First Lien Term Loan Claim means a Claim arising from the loan agreement, dated February 12, 2007 (as amended), among the Debtors, Goldman as lead arranger, syndication agent, administrative agent, and collateral agent and the lenders party thereto.

In accordance with the orders approving the Interiors Sale and Exteriors Sale and the terms of the Sale-Related Settlements and the JCIM Operating Agreement, (i) the First Lien Term Lenders have received all consideration received in the Interiors Sale and the Exteriors Sale, and (ii) the Subscribing Term Lenders have received all equity interests that would otherwise have been distributed to Non-Subscribing First Lien Term Lenders. To the extent the First Lien Term Loan Claims are not fully satisfied thereby, the First Lien Term Lenders shall have Deficiency Claims in the amount of $80 million, which represents the outstanding balance of their First Lien Term Loan Claims, after deducting an estimated recovery on account of their credit bids, receipt of proceeds of the Residual Assets and the financing they have provided. Pursuant to the Committee Settlement, the First Lien Term Lenders have agreed to waive any right to receive, on account of their Deficiency Claim (or any other portion of their First Lien Term Loan Claims) (i) any part of the First Lien Term Lender Contribution and (ii) any proceeds of Avoidance Actions, in each case, on account of such Deficiency Claims; such Deficiency Claims will accordingly be classified as Class 7 General Unsecured Claims, but will not be entitled to receive a Class 7 General Unsecured Claim Distribution unless and until all Class 7 General Unsecured Claims are paid in full.

First Lien Term Loan Claims are Impaired and entitled to vote to accept or reject the Plan. The Debtors estimate that Allowed First Lien Term Loan Claims will be in the approximate aggregate amount of $**[_____]**. The estimated amount of any Deficiency Claims is approximately $80 million.

(b) Class 2: Second Lien Term Loan Claims

A Second Lien Term Loan Claim means a Claim arising from the loan agreement among the Debtors, Goldman as lead arranger and syndication agent, the Bank of New York as administrative agent and collateral agent and the lenders party thereto.

In accordance with the orders approving the Interiors Sale and Exteriors Sale and the terms of the Sale-Related Settlements and the JCIM Operating Agreement, (i) the Second Lien Term Lenders have received all consideration received in the Interiors Sale and the Exteriors Sale, and (ii) the Subscribing Term Lenders have received all equity interests that would otherwise have been distributed to Non-Subscribing Second Lien Term Lenders. To the extent the Second Lien Term Loan Claims are not fully satisfied thereby, the Second Lien Term Lenders shall have Deficiency Claims in the approximate aggregate amount of $100 million, which represents the outstanding balance of their Second Lien Term Loan Claims as of the Petition Date. Pursuant to the Committee Settlement, the Second Lien Term Lenders have agreed to waive any right to receive, on account of their Deficiency Claim (or any other portion of their Second Lien Term Loan Claims) (i) any part of the First Lien Term Lender Contribution

and (ii) any proceeds of Avoidance Actions, in each case, on account of such Deficiency Claims; such Deficiency Claims will accordingly be classified as Class 7 General Unsecured Claims, but will not be entitled to receive a Class 7 General Unsecured Claim Distribution on account of such Deficiency Claims. Any Second Lien Term Loan Claims or Deficiency Claims of the Second Lien Term Lenders are subordinate to the First Lien Term Loan Claims and the Deficiency Claims of the First Lien Term Lenders. Accordingly, the Second Lien Term Lenders shall receive no further Distributions on account of their Second Lien Term Loan Claims or Deficiency Claims unless and until the Deficiency Claims of the First Lien Term Lenders are paid in full.

Second Lien Term Loan Claims are Impaired and entitled to vote to accept or reject the Plan. The Debtors estimate that Allowed Second Lien Term Loan Claims will be in the approximate aggregate amount of $**[_____]**. The estimated amount of any Deficiency Claims is approximately $100 million**]**.

(c) Class 3: Secured Tool Vendor Claims

A Secured Tool Vendor Claim means a Secured Claim held by a Tool Vendor which Secured Claim is (a) secured by a Lien on property in which a Debtor's Estate has an interest or (b) subject to setoff under Bankruptcy Code section 553 and such right of setoff has been asserted by the holder of such right prior to the Confirmation Date in a properly filed motion for relief from the automatic stay, to the extent of the value of the Claimholder's interest in the applicable Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to Bankruptcy Code section 506(a) or, in the case of setoff, pursuant to Bankruptcy Code section 553.

Pursuant to the Tooling Order, Holders of Allowed Secured Tool Vendor Claims who elect to proceed under the Tooling Order will receive in full satisfaction, settlement, release and discharge of and in exchange for such Allowed Secured Tool Vendor Claims a Distribution in accordance with the procedures set forth in the Tooling Order, which procedures provide for: (i) payment to the affected Tool Vendor, (ii) payment into escrow of appropriate amounts by the affected Customer (as defined in the Tooling Order), (iii) return of the Tooling securing the Secured Tool Vendor Claim, or (iv) such other treatment as provided in the Tooling Order. Except as otherwise provided in the Tooling Order, any Holder of a Secured Tool Vendor Claim shall retain its Lien in the Tooling or the proceeds of the Tooling (by payment into escrow of an appropriate amount in accordance with the Tooling Order) to the same extent and with the same priority as such Lien held as of the Petition Date until such time as (A) the Holder of such Secured Tool Vendor Claim (i) has been paid Cash equal to the value of its Allowed Secured Tool Vendor Claim, (ii) has received a return of the Tooling securing the Secured Tool Vendor Claim or (iii) has been afforded such other treatment as provided in the Tooling Order; or (B) such purported Lien has been determined by an order of the Bankruptcy Court to be invalid or otherwise avoidable. A Holder of an Allowed Secured Tool Vendor Claim who elects not to proceed under the Tooling Order will be entitled either to (i) the return of the Tooling securing such Secured Tool Vendor Claim or (ii) the right to pursue any other contractual, legal or equitable remedy or avenue such Tool Vendor may have concerning the Tooling.

Secured Tool Vendor Claims are Unimpaired and are therefore not entitled to vote on the Plan. The Debtors estimate that Allowed Secured Tool Vendor Claims will be in the approximate aggregate amount of $**[_____]**.

(d) Class 4: Secured Tax Claims

The Plan defines Secured Tax Claims as Claims of governmental units for the payment of a tax assessed against property of the Estate, which Claims are secured by a first Lien on such property.

On, or as soon as reasonably practicable after the later of (a) the Initial Distribution Date or (b) the Distribution Date immediately following the date on which a Secured Tax Claim becomes an Allowed Secured Tax Claim, the Holder of such Allowed Secured Tax Claim shall receive from the Liquidating Trustee, in full satisfaction, settlement, release and discharge of and in exchange for, such Allowed Secured Tax Claim, (i) Cash equal to the value of its Allowed Secured Tax Claim and/or (ii) the Collateral securing the Secured Tax Claim, or (iii) such other less favorable treatment as to which the Debtors and/or the Liquidating Trustee and such Holder shall have agreed upon in writing. Any Holder of a Secured Tax Claim shall retain its Lien in the Collateral or the proceeds of the Collateral (to the extent that such Collateral is sold (or deemed abandoned, with respect to Collateral in which the Holder of a Secured Tax Claim holds a first Lien) by the Debtors or the Liquidating Trustee free and clear of such Lien) to the same extent and with the same priority as such Lien held as of the Petition Date until such time as (A) the Holder of such Secured Tax Claim (i) has been paid Cash equal to the value of its Allowed Secured Tax Claim and/or (ii) has received a return of the Collateral securing the Secured Tax Claim, or (iii) has been afforded such other less favorable treatment as to which the Liquidating Trustee and such Holder shall have agreed upon in writing; or (B) such purported Lien has been determined by an order of the Bankruptcy Court to be invalid or otherwise avoidable. To the extent that a Secured Tax Claim exceeds the value of the interest of the Estate in the property that secures the Claim, such Claim shall be deemed Disallowed pursuant to Bankruptcy Code section 502(b)(3).

Allowed Secured Tax Claims are Unimpaired and are therefore not entitled to vote on the Plan. The Debtors estimate that Allowed Secured Tax Claims will be in the approximate aggregate amount of $**[_____]**.

(e) Class 5: Miscellaneous Secured Claims

A Miscellaneous Secured Claim means a Claim, other than a Secured Tax Claim or a Secured Tool Vendor Claim, that is (a) secured by a Lien on property in which a Debtor's Estate has an interest or (b) subject to setoff under Bankruptcy Code section 553 and such right of setoff has been asserted by the holder of such right prior to the Confirmation Date in a properly filed motion for relief from the automatic stay, to the extent of the value of the Claimholder's interest in the applicable Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to Bankruptcy Code section 506(a) or, in the case of setoff, pursuant to Bankruptcy Code section 553.

On, or as soon as reasonably practicable after the later of (a) the Initial Distribution Date or (b) the Distribution Date immediately following the date on which a Miscellaneous Secured Claim becomes an Allowed Miscellaneous Secured Claim, the Holder of such Allowed Miscellaneous Secured Claim shall receive from the Liquidating Trustee, in full satisfaction, settlement, release, and discharge of and in exchange for, such Allowed Miscellaneous Secured Claim, (i) Cash equal to the value of its Allowed Miscellaneous Secured Claim and/or (ii) the Collateral securing the Miscellaneous Secured Claim, or (iii) such other less favorable treatment as to which such Holder and the Debtors and/or the Liquidating Trustee shall have agreed upon in writing. Any Holder of a Miscellaneous Secured Claim shall retain its Lien in the Collateral or the proceeds of the Collateral (to the extent that such Collateral is sold (or deemed abandoned, with respect to Collateral in which the Holder of a Miscellaneous Secured Claim holds a first Lien) by the Debtors or the Liquidating Trustee free and clear of such Lien) to the same extent and with the same priority as such Lien held as of the Petition Date until such time as (A) the Holder of such Miscellaneous Secured Claim (i) has been paid Cash equal to the value of its Allowed Miscellaneous Secured Claim and/or (ii) has received a return of the Collateral securing the Miscellaneous Secured Claim, or (iii) has been afforded such other less favorable treatment as to which such Holder and the Liquidating Trustee shall have agreed upon in writing; or (B) such purported Lien has been determined by an order of the Bankruptcy Court to be invalid or otherwise avoidable. To the extent that the Holder of an Allowed Miscellaneous Secured Claim also holds an Unsecured Claim pursuant to Bankruptcy Code section 506(a) on account of such Allowed Miscellaneous Secured Claim, such Unsecured Claim constitutes a Deficiency Claim that will be separately classified as a Class 7 General Unsecured Claim.

To the extent that the value of the Cash and/or Collateral to be distributed is less than the value of the Allowed Miscellaneous Secured Claims, such Allowed Miscellaneous Secured Claims are Impaired and are therefore entitled to vote to accept or reject the Plan. The Debtors estimate that Allowed Miscellaneous Secured Claims will be in the approximate aggregate amount of $**[_____]** The estimated amount of any Deficiency Claims is approximately $**[_____]**.

(f) Class 6: Non-Tax Priority Claims

A Non-Tax Priority Claim means a Claim entitled to priority in payment pursuant to Bankruptcy Code section 507(a), other than an Administrative Claim, Priority Tax Claim or 503(b)(9) Claim.

On or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date or (ii) the Distribution Date immediately following the date on which a Non-Tax Priority Claim becomes an Allowed Non-Tax Priority Claim, the Holder of such Allowed Non-Tax Priority Claim shall receive from the Liquidating Trustee, in full satisfaction, settlement, release and discharge of and in exchange for such Allowed Non-Tax Priority Claim, (i) Cash equal to the unpaid portion of the Face Amount of such Allowed Non-Tax Priority Claim or (ii) such other less favorable treatment as to which such Holder and the Liquidating Trustee shall have agreed upon in writing.

Non-Tax Priority Claims are Unimpaired and are therefore not entitled to vote on the Plan. The Debtors estimate that Allowed Non-Tax Priority Claims will be in the approximate aggregate amount of $**[_____]**

(g) Class 7: General Unsecured Claims

A General Unsecured Claim means a Claim that is not a DIP Facility Claim, 503(b)(9) Claim, Administrative Claim, Priority Tax Claim, Secured Tax Claim, First Lien Term Loan Claim, Second Lien Term Loan Claim, Secured Tool Vendor Claim, Miscellaneous Secured Claim, Non-Tax Priority Claim or Professional Fee Claim, and is not an Intercompany Claim, Subordinated 510(c) Claim or Subordinated 510(b) Claim, but which term includes, but is not limited to, a Wachovia Swap Termination Claim.

On, or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date, or (ii) the Distribution Date immediately following the date a General Unsecured Claim becomes an Allowed General Unsecured Claim, such Holder of an Allowed General Unsecured Claim will, in full satisfaction, settlement, release and discharge of and in exchange for such Allowed General Unsecured Claim, receive from the Liquidating Trustee, its Pro Rata share of the Class 7 Distribution Amount. On each Distribution Date, each Holder of an Allowed General Unsecured Claim will receive its Pro Rata share of the Periodic Class 7 Distribution Amount.

General Unsecured Claims are Impaired and entitled to vote to accept or reject the Plan. The Debtors estimate that Allowed General Unsecured Claims will be in the approximate aggregate amount of $**[_____]**.

3. Impaired Non-Voting Claims

(a) Class 8: Intercompany Claims

An Intercompany Claim means (i) any Claim held by a Debtor against another Debtor, including, without limitation: (a) any account reflecting intercompany book entries by a Debtor with respect to another Debtor, (b) any Claim not reflected in such book entries that is held by a Debtor against another Debtor, (c) any derivative Claim asserted by or on behalf of one Debtor against another Debtor and (d) any Claim asserted by one Debtor against another as a result of a payment made by the claimant Debtor pursuant to a guarantee or similar instrument; and (ii) any Subsidiary Interests.

The Plan provides that on the Effective Date, all Intercompany Claims shall be cancelled as worthless, and Holders of Intercompany Claims shall not be entitled to, and shall not receive or retain any property or interest in property on account of such Claims.

Class 8 is deemed to have rejected the Plan and, therefore, Holders of Class 8 Claims are not entitled to vote to accept or reject the Plan. To the extent that such Claims are not eliminated, each Debtor holding an Intercompany Claim shall be entitled to the same treatment as other Claims with the same status and/or priority.

(b) Class 9: Subordinated 510(c) Claims

A Subordinated 510(c) Claim means any Claim (i) subordinated pursuant to Bankruptcy Code section 510(c); or (ii) for punitive or exemplary damages or for a fine or penalty, to the extent permitted by applicable law.

The Plan provides that on the Effective Date, Holders of Subordinated 510(c) Claims shall not be entitled to, and shall not receive or retain any property under the Plan on account of such Subordinated 510(c) Claims.

Class 9 is deemed to have rejected the Plan and, therefore, Holders of Subordinated 510(c) Claims are not entitled to vote to accept or reject the Plan.

(c) Class 10: Subordinated 510(b) Claims

A Subordinated 510(b) Claim means any Claim subordinated pursuant to Bankruptcy Code section 510(b), which shall include any Claim arising from the rescission of a purchase or sale of any Old Common Stock, any Claim for damages arising from the purchase or sale of any Old Common Stock, or any Claim for reimbursement, contribution or indemnification on account of any such Claim.

The Plan provides that on the Effective Date, Holders of Subordinated 510(b) Claims shall not be entitled to, and shall not receive or retain any property under the Plan on account of such Subordinated 510(b) Claims.

Class 10 is deemed to have rejected the Plan and, therefore, Holders of Subordinated 510(b) Claims are not entitled to vote to accept or reject the Plan.

4. Impaired Interests

(a) Class 11: Old Equity Interests

An Interest means the legal, equitable, contractual, and other rights of any Person with respect to any capital stock or other ownership interest in any Debtor, whether or not transferable, and any option, warrant or right to purchase, sell, or subscribe for an ownership interest or other equity security in any Debtor.

The Plan provides that on the Effective Date, the Old Equity Interests, including but not limited to the Old Common Stock, shall be canceled and each holder thereof shall not be entitled to, and shall not receive or retain any property or interest in property on account of, such Old Equity Interests.

Class 11 is deemed to have rejected the Plan and, therefore, Holders of Old Equity Interests are not entitled to vote to accept or reject the Plan.

5. Special Provision Regarding Unimpaired Claims

Except as otherwise provided in the Plan, the Confirmation Order, any other order of the Court, or any document or agreement enforceable pursuant to the terms of the Plan, nothing shall affect the rights and defenses, both legal and equitable, of the Liquidating Trust and/or the Liquidating Trustee with respect to any Unimpaired Claims, including, but not limited to, all rights with respect to legal and equitable defenses to setoffs or recoupments against Unimpaired Claims.

6. Allowed Claims

Notwithstanding any provision in the Plan to the contrary, the Liquidating Trustee shall only make Distributions to Holders of Allowed Claims. No Holder of a Disputed Claim will receive any Distribution on account thereof until (and then only to the extent that) its Disputed Claim becomes an Allowed Claim. The Liquidating Trustee may, in his or her discretion, withhold Distributions otherwise due under the Plan to any Claimholder until the Claims Objection Deadline, to enable a timely objection thereto to be filed. Any Holder of a Claim that becomes an Allowed Claim after the Effective Date will receive its Distribution in accordance with the terms and provisions of the Plan and the Liquidating Trust Agreement.

7. Special Provisions Regarding Insured Claims

Distributions under the Plan to each Holder of an Insured Claim shall be in accordance with the treatment provided under the Plan for the Class in which such Insured Claim is classified; provided, however, that the maximum amount of any Distribution under the Plan on account of an Allowed Insured Claim shall be limited to an amount equal to: (a) the applicable deductible or self-insured retention under the relevant insurance policy minus (b) any reimbursement obligations of the Debtors to the insurance carrier for sums expended by the insurance carrier on account of such Claim (including defense costs); provided further, however, that, to the extent that a Claimholder has an Allowed Insured Claim, the amount of which exceeds the total coverage available from the relevant insurance policies of the Debtors, such Claimholder shall have an Allowed General Unsecured Claim in the amount by which such Allowed Insured Claim exceeds the coverage available from the relevant Debtors' insurance policies. Nothing in section III.H of the Plan shall constitute a waiver of any Cause of Action the Debtors may hold against any Person, including the Debtors' insurance carriers, or is intended to, shall, or shall be deemed to preclude any Holder of an Allowed Insured Claim from seeking and/or obtaining a distribution or other recovery from any insurer of the Debtors in addition to any Distribution such Holder may receive under the Plan; provided further, however, that the Debtors do not waive, and expressly reserve their rights to assert that any insurance coverage is property of the Estates to which they are entitled.

The Plan shall not expand the scope of, or alter in any other way, the obligations of the Debtors' insurers under their policies, and the Debtors' insurers shall retain any and all defenses to coverage that such insurers may have. The Plan shall not operate as a waiver of any other Claims the Debtors' insurers have asserted or may assert in any Proof of Claim or the Debtors' rights and defenses with respect to such Proofs of Claim.

D. Acceptance Or Rejection Of The Plan

1. Impaired Classes of Claims Entitled to Vote

Subject to Article III of the Plan, Holders of Claims in Classes 1, 2, 5 and 7 are Impaired and are entitled to vote to accept or reject the Plan.

2. Acceptance by an Impaired Class

In accordance with Bankruptcy Code section 1126(c) and except as provided in Bankruptcy Code section 1126(e), an Impaired Class of Claims shall have accepted the Plan if the Plan is accepted by the holders of at least two-thirds in dollar amount and more than one-half (½) in number of the Allowed Claims of such Class that have timely and properly voted to accept or reject the Plan.

3. Presumed Acceptances by Unimpaired Classes

Classes 3, 4 and 6 are Unimpaired by the Plan. Under Bankruptcy Code section 1126(f), such Claimholders are conclusively presumed to accept the Plan, and the votes of such Claimholders will not be solicited.

4. Classes Deemed to Reject Plan

Holders of Claims in Classes 8, 9 and 10 and Interest Holders in Class 11 are not entitled to receive or retain any property under the Plan. Under Bankruptcy Code section 1126(g), Holders of Claims in Classes 8, 9 and 10 and Interest Holders in Class 11 are deemed to reject the Plan, and the votes of such Claimholders or Interest Holders will not be solicited.

5. Summary of Classes Voting on the Plan

As a result of the provisions of Articles II and III of the Plan, the votes of Holders of Claims in Classes 1, 2, 5 and 7 will be solicited with respect to the Plan.

6. Confirmation Pursuant to Bankruptcy Code Section 1129(b)

Because Classes 8, 9, 10 and 11 are deemed to reject the Plan, the Plan Proponents will (i) seek confirmation of the Plan from the Court by employing the "cramdown" procedures set forth in section 1129(b) of the Bankruptcy Code and/or (ii) modify the Plan in accordance with Article XII.A. of the Plan. The Plan Proponents reserve the right to alter, amend, modify, revoke, or withdraw the Plan, the Plan Supplement or any Plan Exhibit or schedule, including to amend or modify the Plan, the Plan Supplement or such Exhibits or schedules to satisfy the requirements of Bankruptcy Code section 1129(b), if necessary.

E. Means For Implementation Of The Plan

1. Sale and Sale-Related Settlements

The Plan completes the implementation of, and the Distribution of proceeds from, the Sales and the Sale-Related Settlements, all of which are incorporated in the Plan. Nothing in the Plan or this Disclosure Statement is intended to supersede, modify or amend the terms of the Sales or Sale-Related Settlements. In the event there are any inconsistencies between the summaries of the Sales and Sale-Related Settlements set forth herein, the terms of the Sales and Sale-Related Settlements control.

2. Corporate Action

(a) Transfer of Assets to Liquidating Trust

Upon the Effective Date, any and all remaining assets of the Debtors and their Estates, including (a) all Unencumbered Assets and (b) all Cash, shall be transferred to, and vest in, the Liquidating Trust, as set forth in the Liquidating Trust Agreement. All such assets shall constitute the "Trust Estate". For all U.S. federal income tax purposes, all parties must treat the transfer of such assets to the Liquidating Trust as a transfer of such assets to the beneficiaries of the Liquidating Trust followed by a transfer of such assets by such beneficiaries to the Liquidating Trust, with the beneficiaries being treated as the grantors and owners of the Liquidating Trust. Accordingly, because a grantor trust is treated as a pass-through entity for U.S. federal income tax purposes, generally no tax should be imposed on the Liquidating Trust as a result of the transfer of assets thereto nor on income earned or gain recognized by the Liquidating Trust. Instead, the beneficiaries of the Liquidating Trust may be taxed on their allocable share of such net income or gain in each taxable year of the Liquidating Trust, and will be responsible for paying the taxes associated with such income or gain whether or not they received any distributions from the Liquidating Trust in such taxable year. See Section X.B., below.

(b) Dissolution of PEPI and Subsidiary Debtors

Upon the Effective Date, or as soon thereafter as the Liquidating Trustee determines is appropriate, PEPI and the Subsidiary Debtors will be dissolved. If necessary or appropriate, the Liquidating Trustee will file a certificate of dissolution for PEPI and/or the Subsidiary Debtors and will take all other actions necessary or appropriate to effect the dissolution of PEPI and the Subsidiary Debtors under applicable state law.

(c) Post-Effective Date Professional Fees; Final Fee Applications

The Professionals employed by the Debtors or the Creditors' Committee shall be entitled to reasonable compensation and reimbursement of actual, necessary expenses for post-Effective Date activities, including the preparation, filing, and prosecution of final fee applications, upon the submission of invoices to the Liquidating Trustee. Any time or expenses incurred in the preparation, filing, and prosecution of final fee applications shall be disclosed by each Professional in its final fee application and shall be subject to approval of the Bankruptcy Court.

(d) Legal Representation of the Debtors After the Effective Date

Upon the Effective Date, the attorney-client relationship between the Debtors and their current counsel, Skadden, Arps and Allard & Fish, shall be deemed terminated. Subject only to the applicable ethical rules governing attorneys, their receipt of confidential information and their relationship with former clients, current counsel for the Debtors shall not be precluded from representing any party in any action that might be brought by or against the Liquidating Trust, and/or the Liquidating Trustee.

In addition, upon the Effective Date, the Liquidating Trust and the Liquidating Trustee shall succeed to the attorney-client privilege formerly held by the Debtors. Accordingly, to the extent that documents are requested from current counsel to the Debtors by any Person, after the Effective Date, only the Liquidating Trust and the Liquidating Trustee shall have the ability to waive such attorney-client privilege. In addition, current counsel to the Debtors shall have no obligation to produce any documents currently in their possession as a result of or arising in any way out of their representation of the Debtors unless (i) the Person requesting such documents serves their request on the Liquidating Trust, and/or the Liquidating Trustee; (ii) the Liquidating Trust and/or the Liquidating Trustee consent in writing to such production and any waiver of the attorney-client privilege such production might cause; and (iii) the Liquidating Trust, the Liquidating Trustee, or the Person requesting such production, agree to pay the reasonable costs and expenses incurred by current counsel for the Debtors in connection with such production. Upon the third (3rd) anniversary of the termination of the Liquidating Trust Agreement and the dissolution of Liquidating Trust, any and all documents in the possession of the Debtors' current counsel as a result of or arising in any way out of their representation of the Debtors, shall be deemed destroyed and no Person shall be entitled to obtain such documents.

(e) Cancellation of Old Securities and Agreements

Except as otherwise provided in the Plan, and in any contract, instrument or other agreement or document created in connection with the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to Article III of the Plan, the Old Common Stock and any other promissory notes, share certificates, whether for preferred or common stock (including treasury stock), other instruments evidencing any Claims or Interests, other than a Claim that is being Reinstated and rendered unimpaired, and all options, warrants, calls, rights, puts, awards, commitments, or any other agreements of any character to acquire such Interests shall be deemed canceled and of no further force and effect, without any further act or action under any applicable agreement, law, regulation, order, or rule, and the obligations of the Debtors under the notes, share certificates, and other agreements and instruments governing such Claims and Interests shall be discharged.; provided, however, that certain instruments, documents, and credit agreements related to Claims shall continue in effect solely for the purposes of allowing the agents to make distributions to the lenders thereunder and the Liens of the Term Lender Parties on the Residual Assets shall remain in effect. Without limiting the foregoing, the Term Loan Facilities shall continue in effect for the purposes of (a) permitting the agents and arrangers thereunder to make distributions on account of the First Lien Term Loan Claims and Second Lien Term Loan Claims and (b) retaining any and all rights and claims of the agents and the arrangers thereunder against the Term Lenders. The holders of or parties to such canceled notes, share certificates and other agreements and instruments shall have no rights

arising from or relating to such notes, share certificates and other agreements and instruments or the cancellation thereof, except the rights provided pursuant to the Plan.

(f) No Further Action

Each of the matters provided for under the Plan involving the corporate or limited liability company structure of the Debtors or corporate or limited liability company action to be taken by or required of the Debtors shall, as of the Effective Date, be deemed to have occurred and be effective as provided herein, and shall be authorized and approved in all respects without any requirement of further action by any Person, including but not limited to, the Liquidating Trust, holders of Claims or Interests against or in the Debtors, or directors or officers of the Debtors.

(g) Effectuating Documents; Further Transactions

Liquidating Trustee shall be authorized to execute, deliver, file or record such contracts, instruments, releases, indentures and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

F. Sources For Plan Distribution

All Cash necessary for the Debtors or the Liquidating Trustee to make payments of Cash pursuant to the Plan shall be obtained from the following sources: (a) the Debtors' Cash on hand, (b) the proceeds of the Sales and Sale-Related Settlements, (c) Cash received in liquidation of the Unencumbered Assets of the Debtors and (d) the proceeds of the Causes of Action.

G. Professional Fees; Funding of Reserves

1. Professional Fee Reserve

On or before the Effective Date, the Debtors shall fund the Professional Fee Reserve in the amount of the aggregate Professional Fee Estimate and in accordance with the terms of the Final DIP Order and the Funding Agreement, which provide that the funds for all Professional Fees paid or to be paid will come from the carve-out and surcharge of the Collateral of the DIP Lenders and the Term Lender Parties. The Liquidating Trustee shall (i) segregate and shall not commingle the Cash held therein and (ii) subject to the terms and conditions of the Liquidating Trust Agreement, the Funding Agreement and the Final DIP Order, pay each Allowed Professional Fee Claim from the Professional Fee Reserve upon entry of a Final Order allowing such Claim.

In the event that Cash remains in the Professional Fee Reserve after payment of all Allowed Professional Fee Claims, such residual Cash shall be (i) used to fund the Secured Tax Reserve, Priority Tax Reserve, Administrative Claims Reserve or Non-Tax Priority Claims Reserve to the extent a shortfall exists in any of those Reserves to pay Allowed Claims, or, if residual Cash remains in any of the foregoing Reserves following payment of all Allowed Claims thereunder, (ii) returned to the First Lien Term Lenders and the Major Customers, all in

accordance with the terms of the Plan, the Liquidating Trust Agreement, the Funding Agreement and the Final DIP Order.

The Liquidating Trustee shall not be permitted to distribute any of the Professional Fee Reserve to any Person other than a Professional entitled to payment from the Professional Fee Reserve (and then such payment shall only be permitted in accordance with the terms of the Plan, the Final DIP Order and the Funding Agreement) unless and until all Allowed Professional Fee Claims have been paid in full and all other Professional Fee Claims have been Disallowed or otherwise resolved. Pursuant to the Final DIP Order and the Prior DIP Financing Orders (as defined in the Final DIP Order), amounts distributed by the Liquidating Trustee on account of Allowed Professional Fee Claims shall be deemed to be a surcharge on the Secured Lender Parties' Collateral up to the amount of the Fee Escrow as defined and set forth therein. Any amounts distributed by the Liquidating Trustee on account of Allowed Professional Fee Claims accrued, paid during the Chapter 11 Cases and/or paid prior to the Effective Date in excess of the Fee Escrow shall be deemed to be a surcharge on the Secured Lender Parties' Collateral and Deficiency Claims and accordingly not subject to disgorgement.

2. Secured Tax Reserve

On or before the Effective Date, the Debtors shall fund the Secured Tax Reserve in the amount of the aggregate Secured Tax Claim Estimate and in accordance with the terms of the Final DIP Order and the Funding Agreement. The Liquidating Trustee shall (i) segregate and shall not commingle the Cash held in the Secured Tax Reserve and (ii) subject to the terms and conditions of the Liquidating Trust Agreement, the Funding Agreement and the Final DIP Order, pay each Allowed Secured Tax Claim from the Secured Tax Reserve upon entry of a Final Order allowing such Claim.

In the event that Cash remains in the Secured Tax Reserve after payment of all Allowed Secured Tax Claims, such residual Cash shall be (i) used to fund the Professional Fee Reserve, Priority Tax Reserve, Administrative Claims Reserve or Non-Tax Priority Claims Reserve to the extent a shortfall exists in any of those Reserves to pay Allowed Claims, or, if residual Cash remains in any of the foregoing Reserves following payment of all Allowed Claims thereunder, (ii) returned to the First Lien Term Lenders and the Major Customers, all in accordance with the terms of the Plan, the Liquidating Trust Agreement, the Funding Agreement and the Final DIP Order.

The Liquidating Trustee shall not be permitted to distribute any of the Secured Tax Reserve to any Governmental Unit other than a Governmental Unit entitled to payment from the Secured Tax Reserve (and then such payment shall only be permitted in accordance with the terms of the Plan, the Final DIP Order and the Funding Agreement) unless and until all Allowed Secured Tax Claims have been paid in full and all other Secured Tax Claims have been Disallowed or otherwise resolved.

3. Lease Reserve

On or before the Effective Date, the Debtors shall fund the Lease Reserve in the amount of the Lease Claims Estimate and in accordance with the terms of the Final DIP Order and the

Funding Agreement. The Liquidating Trustee shall (i) segregate and shall not commingle the Cash held therein and (ii) subject to the terms and conditions of the Liquidating Trust Agreement, the Funding Agreement and the Final DIP Order, pay each Allowed Lease Claim upon entry of a Final Order allowing such Claim.

In the event that Cash remains in the Lease Reserve after payment of all Allowed Lease Claims, such residual Cash shall be returned to the Major Customers, all in accordance with the terms of the Plan, the Liquidating Trust Agreement and the Final DIP Order.

The Liquidating Trustee shall not be permitted to distribute any of the Lease Reserve to any Person other than a Person entitled to payment from the Lease Reserve (and then such payment shall be permitted in accordance with the terms of the Plan, the Final DIP Order and the Funding Agreement) unless and until all Allowed Lease Claims have been paid in full and all other Lease Claims have been Disallowed or otherwise resolved.

4. Priority Tax Reserve

On or before the Effective Date, the Debtors shall fund the Priority Tax Reserve in the amount of the aggregate Priority Tax Claim Estimate and in accordance with the terms of the Final DIP Order and the Funding Agreement. The Priority Tax Reserve shall also be funded by proceeds from Unencumbered Assets and any Available Additional DIP Collateral Proceeds to the extent necessary to allow payment of all Allowed Priority Tax Claims. The Liquidating Trustee shall (i) segregate and shall not commingle the Cash held therein and (ii) subject to the terms and conditions of the Liquidating Trust Agreement, the Funding Agreement and the Final DIP Order, pay each Allowed Priority Tax Claim from the Priority Tax Reserve upon entry of a Final Order allowing such Claim.

In the event that Cash remains in the Priority Tax Reserve after payment of all Allowed Priority Tax Claims, such residual Cash shall be (i) used to fund the Professional Fee Reserve, Secured Tax Reserve, Administrative Claims Reserve or Non-Tax Priority Claims Reserve to the extent a shortfall exists in any of those Reserves to pay Allowed Claims, or, if residual Cash remains in any of the foregoing Reserves following payment of all Allowed Claims thereunder, (ii) returned to the First Lien Term Lenders and the Major Customers, all in accordance with the terms of the Plan, the Liquidating Trust Agreement, the Funding Agreement and the Final DIP Order; provided, however, that to the extent unused proceeds from Unencumbered Assets or Available Additional DIP Collateral Proceeds remain in the Priority Tax Reserve following the payment of all Allowed Priority Tax Claims, such proceeds shall be applied to fund other Reserves in accordance with the Plan and the priority scheme set forth in the Bankruptcy Code.

The Liquidating Trustee shall not be permitted to distribute any of the Priority Tax Reserve to any Governmental Unit other than a Governmental Unit entitled to payment from the Priority Tax Reserve (and then such payment shall only be permitted in accordance with the terms of the Plan, the Final DIP Order and the Funding Agreement) unless and until all Allowed Priority Tax Claims have been paid in full and all other Priority Tax Claims have been Disallowed or otherwise resolved.

5. 503(b)(9) Claims Reserve

On or before the Effective Date, the Debtors shall fund the 503(b)(9) Claims Reserve with the 503(b)(9) Claims Escrow Amount and in accordance with the terms of the Funding Agreement. The Liquidating Trustee shall (i) segregate and shall not commingle the Cash held therein and (ii) subject to the terms and conditions of the Liquidating Trust Agreement and the Funding Agreement, pay each 503(b)(9) Claim (A) pursuant to any compromise and settlement of such 503(b)(9) Claim agreed to between the Holder of such Claim and the Liquidating Trustee, with the consent of the Major Customers, the Steering Committee and Goldman, as provided in the Funding Agreement, or (B) upon entry of a Final Order allowing such Claim

In the event that Cash remains in the 503(b)(9) Claims Reserve after payment of all Allowed 503(b)(9) Claims, such residual Cash shall be returned to the First Lien Term Lenders and the Major Customers in accordance with the terms of the Plan, the Liquidating Trust Agreement and the Funding Agreement.

The Liquidating Trustee shall not be permitted to distribute any of the 503(b)(9) Claims Reserve to any Person other than a Person entitled to payment from the 503(b)(9) Claims Reserve (and then such payment shall be permitted in accordance with the terms of the Plan and the Funding Agreement) unless and until all Allowed 503(b)(9) Claims have been paid in full and all other 503(b)(9) Claims have been Disallowed or otherwise resolved.

6. Administrative Claims Reserve

On or before the Effective Date, the Debtors shall fund the Administrative Claims Reserve in the amount of the Administrative Claims Estimate and in accordance with the terms of the Final DIP Order and the Funding Agreement. The Administrative Claims Reserve shall also be funded by proceeds from Unencumbered Assets and any Available Additional DIP Collateral Proceeds to the extent necessary to allow payment of all Allowed Administrative Claims. The Liquidating Trustee shall (i) segregate and shall not commingle the Cash held therein and (ii) subject to the terms and conditions of the Liquidating Trust Agreement, the Final DIP Order and the Funding Agreement, pay each Allowed Administrative Claim, upon entry of a Final Order allowing such Claim.

In the event that Cash remains in the Administrative Claims Reserve after payment of all Allowed Administrative Claims, such residual Cash shall be (i) used to fund the Professional Fee Reserve, Secured Tax Reserve, Priority Tax Reserve or Non-Tax Priority Claims Reserve to the extent a shortfall exists in any of those Reserves to pay Allowed Claims, or, if residual Cash remains in any of the foregoing Reserves following payment of all Allowed Claims thereunder, (ii) returned to the First Lien Term Lenders and the Major Customers, all in accordance with the terms of the Plan, the Liquidating Trust Agreement, the Funding Agreement and the Final DIP Order; provided, however, that to the extent unused proceeds from Unencumbered Assets or Available Additional DIP Collateral Proceeds remain in the Administrative Claims Reserve following the payment of all Allowed Administrative Claims, such proceeds shall be applied to fund other Reserves in accordance with the Plan and the priority scheme set forth in the Bankruptcy Code.

The Liquidating Trustee shall not be permitted to distribute any of the Administrative Claims Reserve to any Person other than a Person entitled to payment from the Administrative Claims Reserve (and then such payment shall be permitted in accordance with the terms of the Plan, the Final DIP Order and the Funding Agreement) unless and until all Allowed Administrative Claims have been paid in full and all other Administrative Claims have been Disallowed or otherwise resolved.

7. Non-Tax Priority Claims Reserve

On or before the Effective Date, the Debtors shall fund the Non-Tax Priority Claims Reserve in the amount of the Non-Tax Priority Claims Estimate and in accordance with the terms of the Funding Agreement. The Non-Tax Priority Claims Reserve shall also be funded by proceeds from Unencumbered Assets and any Available Additional DIP Collateral Proceeds to the extent necessary to allow payment of all Allowed Non-Tax Priority Claims. The Liquidating Trustee shall (i) segregate and shall not commingle the Cash held therein and (ii) subject to the terms and conditions of the Liquidating Trust Agreement and the Funding Agreement, pay each Allowed Non-Tax Priority Claim upon entry of a Final Order allowing such Claim.

In the event that Cash remains in the Non-Tax Priority Claims Reserve after payment of all Non-Tax Priority Claims, such residual Cash shall be (i) used to fund the Professional Fee Reserve, Secured Tax Reserve, Priority Tax Reserve or Administrative Claims Reserve, to the extent a shortfall exists in any of those Reserves to pay Allowed Claims thereunder, or, if residual Cash remains in any of the foregoing Reserves following payment of all Allowed Claims thereunder, (ii) returned to the First Lien Term Lenders in accordance with the terms of the Plan, the Liquidating Trust Agreement and the Funding Agreement; provided, however, that to the extent unused proceeds from Unencumbered Assets or any Available Additional DIP Collateral Proceeds remain in the Non-Tax Priority Claims Reserve following the payment of all Allowed Non-Priority Tax Claims, such proceeds shall be applied to fund other Reserves in accordance with the Plan and the priority scheme set forth in the Bankruptcy Code.

The Liquidating Trustee shall not be permitted to distribute any of the Non-Tax Priority Claims Reserve to any Person other than a Person entitled to payment from the Non-Tax Priority Claims Reserve (and then such payment shall be permitted in accordance with the terms of the Plan and the Funding Agreement) unless and until all Allowed Non-Tax Priority Claims have been paid in full and all other Non-Tax Priority Claims have been Disallowed or otherwise resolved.

8. Liquidation Reserve

On or before the Effective Date, the Debtors shall fund the Liquidation Reserve with the First Lien Term Lender Contribution in accordance with the terms of the Committee Settlement. The Liquidation Reserve shall also be funded by proceeds from Unencumbered Assets and any Available Additional DIP Collateral Proceeds to the extent necessary to allow payment of all Allowed General Unsecured Claims, provided, however, that such proceeds are first applied to pay Allowed Priority Claims in accordance with the Plan and the priority scheme set forth in the Bankruptcy Code. The Liquidating Trustee shall (i) segregate and shall not commingle the Cash held therein and (ii) subject to the terms and conditions of the Liquidating Trust Agreement and

the Committee Settlement, pay each Allowed General Unsecured Claim upon entry of a Final Order allowing such Claim.

The Liquidating Trustee shall not be permitted to distribute any of the Liquidation Reserve to any Person other than a Person entitled to payment from the Liquidation Reserve (and then such payment shall be permitted in accordance with the terms of the Plan and the Committee Settlement) unless and until all Allowed General Unsecured Claims have been paid in full and all other General Unsecured Claims have been Disallowed or otherwise resolved.

9. Liquidating Trust Operating Reserve

On or before the Effective Date, the Debtors shall fund the Liquidating Trust Operating Reserve in an amount deemed by the Debtors to be sufficient to pay the fees and expenses of the Liquidating Trustee and the Liquidating Trustee Professionals, in light of any anticipated recovery from the liquidation of the Unencumbered Assets. The Liquidating Trustee shall be permitted, but not required, from time to time, to deposit Available Cash into the Liquidating Trust Operating Reserve to fund, among other things, the fees and expenses of the Liquidating Trustee and the Liquidating Trustee Professionals, as set forth more fully in the Liquidating Trust Agreement.

H. Reconstitution of Creditors' Committee as Post-Effective Date Committee

1. On and as of the Effective Date, the Creditors' Committee shall be reconstituted as the Post-Effective Date Committee, whose members shall be selected by the Creditors' Committee. The members of the Creditors' Committee who are not selected as members of the Post-Effective Date Committee shall be released and discharged of and from all further authority, duties, responsibilities, and obligations related to and arising from and in connection with the Chapter 11 Cases. It is expected that Clark Hill shall serve as counsel for the Post-Effective Date Committee. The services of other professionals retained by the Creditors' Committee shall terminate on the Effective Date.

2. In the event of the death or resignation of any member of the Post-Effective Date Committee after the Effective Date, a majority of the remaining members of the Post-Effective Date Committee shall have the right to designate a successor from among the Holders of General Unsecured Claims. Until a vacancy on the Post-Effective Date Committee is filled, the Post-Effective Date Committee shall function in its reduced number.

3. The Liquidating Trustee shall consult with the Post-Effective Date Committee on a regular basis concerning the Liquidating Trustee's investigation, prosecution, and proposed settlement of Claims. The Liquidating Trust Agreement shall contain protocols for the settlement of Claims by the Liquidating Trustee and the involvement of the Post-Effective Date Committee in such settlements.

4. The duties of the Post-Effective Date Committee shall also include services related to any final applications filed pursuant to Section IX.A.1 of the Plan, and the Post-Effective Date Committee shall have the right to be heard on all issues relating to such final fee applications.

5. The reasonable and necessary fees and expenses of the Post-Effective Date Committee and the reasonable and necessary fees and expenses of the professionals employed by the Post-Effective Date Committee in connection with its duties and responsibilities as set forth in this Plan shall be reimbursed from the First Lien Term Lender Contribution.

6. The Post-Effective Date Committee shall be dissolved and the members thereof shall be released and discharged of and from further authority, duties, responsibilities, and obligations relating to and arising from and in connection with the Chapter 11 Cases on the later of (i) the date on which final Distributions are made to Holders of Allowed General Unsecured Claims and (ii) the date on which all services related to final fee applications are completed; provided, however, that the Bankruptcy Court may authorize, upon motion of the Post-Effective Date Committee, an earlier dissolution of the Post-Effective Date Committee and release and discharge of its members. The employment of the Post-Effective Date Committee's attorneys shall terminate upon such dissolution.

I. Liquidating Trust

1. Establishment of the Liquidating Trust

The Liquidating Trust shall be established and shall become effective on the Effective Date. The Liquidating Trust shall be deemed to be a "liquidation trust" within the meaning of the Committee Settlement for purposes of receiving and holding (i) the First Lien Term Lender Contribution and (ii) the proceeds of the Unencumbered Assets (subject to the prior satisfaction of all Allowed Priority Claims) for the benefit of Class 7 General Unsecured Creditors. All Distributions to the Holders of Allowed Claims shall be from the Liquidating Trust. The Liquidating Trust shall hold and administer the following assets and the Net Proceeds thereof (collectively, the "Liquidating Trust Assets"):

(a) The Unencumbered Assets for liquidation and distribution in accordance with the Plan;

(b) the Reserves, which shall not constitute part of the res of the Liquidating Trust, but which shall be held separate by the Liquidating Trustee, to be administered in accordance with the Plan; and

(c) all other property of the Debtors and the Estates, and each of them, which shall be deemed assigned by the Debtor to the Liquidating Trust on the Effective Date for liquidation and distribution in accordance with the Plan.

2. Trust Distributions

Following the funding of the Reserves, the Liquidating Trustee shall liquidate all assets of the Debtors and the Estates (including, without limitation, all Causes of Action and all Unencumbered Assets) and distribute the Net Proceeds of such liquidation from the Liquidating Trust in accordance with the Plan, the Liquidating Trust Agreement, the Final DIP Order and the Sale-Related Settlements.

3. Duration of Trust

The Liquidating Trust shall continue to exist until such time as (a) the Bankruptcy Court has entered a Final Order closing the Chapter 11 Cases pursuant to Bankruptcy Code section 350(a) and (b) the Liquidating Trustee has administered all assets of the Liquidating Trust and performed all other duties required by the Plan and the Liquidating Trust Agreement. As soon as practicable after the Final Trust Distribution Date, the Liquidating Trustee shall seek entry of a Final Order closing the Chapter 11 Cases pursuant to Bankruptcy Code section 350.

4. Liquidation of Avoidance Actions

Except with respect to 503(b)(9) Claims, the Liquidating Trustee shall have sole authority and responsibility for investigating, analyzing, commencing, prosecuting, litigating, compromising, collecting, and otherwise administering the Avoidance Actions.

5. Liquidating Trustee

(a) Appointment

The Liquidating Trustee shall be a Person selected by the Plan Proponents, with the consent of Goldman, the Steering Committee and the Major Customers, which consent shall not be unreasonably withheld, and designated in the Confirmation Order. The appointment of the Liquidating Trustee shall be effective as of the Effective Date. Successor Liquidating Trustee(s) shall be appointed with the consent of Goldman, the Steering Committee and the Major Customers, which consent shall not be unreasonably withheld, as set forth in the Liquidating Trust Agreement.

(b) Term

Unless the Liquidating Trustee resigns or dies earlier, the Liquidating Trustee's term shall expire upon termination of the Liquidating Trust pursuant to the Plan and/or the Liquidating Trust Agreement.

(c) Powers and Duties

The Liquidating Trustee shall have the rights and powers set forth in the Liquidating Trust Agreement including, but not limited to, the powers of a debtor-in-possession under Bankruptcy Code sections 1107 and 1108; provided, however, the Liquidating Trustee shall have no authority to operate the Debtors' businesses. The Liquidating Trustee shall be governed in all things by the terms of the Liquidating Trust Agreement and the Plan. The Liquidating Trustee shall administer the Liquidating Trust, and its assets, and make Distributions from the proceeds of the Liquidating Trust in accordance with the Plan. In addition, the Liquidating Trustee shall, in accordance with the terms of the Plan, take all actions necessary to wind down the affairs of the Debtors consistent with the Plan and applicable non-bankruptcy law. Without limitation, the Liquidating Trustee shall (a) file final federal, state, and, to the extent applicable, local, tax returns; and (b) dissolve each of the Debtors in accordance with the Plan. The Liquidating Trustee shall be authorized, empowered and directed to take all actions necessary to comply with

the Plan and exercise and fulfill the duties and obligations arising thereunder, including, without limitation, to:

(i) employ, retain, and replace one or more attorneys, accountants, auctioneers, brokers, managers, consultants, other professionals, agents, investigators, expert witnesses, consultants, and advisors as necessary to discharge the duties of the Liquidating Trustee under the Plan and the Liquidating Trust Agreement;

(ii) object to the allowance of Claims pursuant to the terms of the Plan;

(iii) establish the Reserves and open, maintain and administer bank accounts as necessary to discharge the duties of the Liquidating Trustee under the Plan and the Liquidating Trust Agreement;

(iv) pay reasonable and necessary professional fees, costs, and expenses as set forth in the Plan;

(v) investigate, analyze, commence, prosecute, litigate, compromise, and otherwise administer the Causes of Action and the Avoidance Actions and all related Liens for the benefit of the Liquidating Trust and its beneficiaries, as set forth in the Plan and the Final DIP Order, and take all other necessary and appropriate steps to collect, recover, settle, liquidate, or otherwise reduce to Cash the Causes of Action and the Avoidance Actions, including all receivables, and to negotiate and effect settlements and lien releases with respect to all related Claims and all related Liens, provided, however, that any compromise or settlement with respect to 503(b)(9) Claims shall be subject to the prior written consent of the Customers, the Steering Committee and the First Lien Agent.

(vi) administer, sell, liquidate, or otherwise dispose of all Collateral, Unencumbered Assets and all other assets of the Estates in accordance with the terms of the Plan;

(vii) represent the Estates before the Bankruptcy Court and other courts of competent jurisdiction with respect to matters concerning the Liquidating Trust;

(viii) seek the examination of any entity under and subject to the provisions of Bankruptcy Rule 2004;

(ix) comply with applicable orders of the Bankruptcy Court and any other court of competent jurisdiction over the matters set forth in the Plan;

(x) comply with all applicable laws and regulations concerning the matters set forth in the Plan;

(xi) exercise such other powers as may be vested in the Liquidating Trust pursuant to the Liquidating Trust Agreement, the Plan, or other Final Orders of the Bankruptcy Court; and

(xii) execute any documents, instruments, contracts, and agreements necessary and appropriate to carry out the powers and duties of the Liquidating Trust.

(d) Fees and Expenses

Except as otherwise provided in the Plan, compensation of the Liquidating Trustee and the costs and expenses of the Liquidating Trustee and the Liquidating Trust (including, without limitation, professional fees and expenses) shall be paid (i) to the extent related to the administration, preservation, maintenance or liquidation of Collateral, from the Net Proceeds of the liquidation of such Collateral; (ii) to the extent related to the administration or liquidation of the Unencumbered Assets, from the Net Proceeds of the Unencumbered Assets; and (iii) from the Liquidating Trust Operating Reserve. The reasonable fees and expenses of the Liquidating Trustee or the Liquidating Trustee Professionals shall be paid as necessary to discharge the Liquidating Trustee's duties under the Plan and the Liquidating Trust Agreement, which payments shall be made on ten (10) days' notice to the Post-Effective Date Committee, but shall not require an order of the Bankruptcy Court approving such payments. In the event of a dispute with respect to the fees and expenses of the Liquidating Trustee or the Liquidating Trustee's Professionals, the undisputed portion of such fees and expenses may be paid pending the resolution of the disputed portion of such fees and expenses, which payment shall not require an order of the Bankruptcy Court approving such payment. The Liquidating Trustee is entitled to deduct all fees and expenses reasonably incurred by the Liquidating Trustee and/or the Liquidating Trustee Professionals in administering, preserving, maintaining or liquidating Collateral or Unencumbered Assets from the proceeds of such Collateral or Unencumbered Assets prior to making any Distribution of such proceeds under the Plan.

(e) Retention of Professionals and Compensation Procedure

On and after the Effective Date, the Liquidating Trustee may engage such professionals and experts as may be deemed necessary and appropriate by the Liquidating Trustee to assist the Liquidating Trustee in carrying out the provisions of the Plan and the Liquidating Trust Agreement. For services performed from and after the Effective Date, Liquidating Trustee Professionals shall receive compensation and reimbursement of expenses in a manner to be determined by the Liquidating Trustee. It is expected that the Liquidating Trustee will engage Clark Hill, Allard & Fish and Skadden, Arps as Liquidating Trustee Professionals, with primary

responsibility for the prosecution of Avoidance Actions to be allocated to Clark Hill and Allard & Fish.

(f) Claims Resolution and Compromise

Except with respect to 503(b)(9) Claims, as of the Effective Date (i) the Liquidating Trustee is authorized to approve compromises of all Claims, Disputed Claims, and Liens pursuant to Bankruptcy Rule 9019(b), the Plan and the Liquidating Trust Agreement, and to execute necessary documents, including Lien releases (subject to the written consent of the party having such Lien) and stipulations of settlement or release, without further order of the Bankruptcy Court, but subject to the notice provisions herein.

The Liquidating Trustee is authorized to prosecute objections to 503(b)(9) Claims and to enter into settlements seeking allowance of 503(b)(9) Claims subject to the prior written consent of Goldman, the Major Customers and the Steering Committee.

Notice of the settlement and compromise of any Claim (including 503(b)(9) Claims), Disputed Claim or Lien in excess of $**[_____]** shall be made to the Post-Effective Date Committee. If a dispute with respect to such settlement and compromise cannot be resolved within fourteen (14) days of the receipt of notice, any party in interest shall have the right to file an objection and request a hearing before the Bankruptcy Court.

(g) Vesting of Assets

On the Effective Date, and subject to the provisions of the Sale Orders and respective Asset Purchase Agreements, all property treated by the Plan, any minutes, and general corporate records of Debtors, and any books and records relating to the foregoing not otherwise treated by the Plan, shall vest in the Liquidating Trust free and clear of all Liens, Claims, encumbrances, and other interests and shall thereafter be administered, liquidated by sale, collection, recovery, or other disposition and distributed by the Liquidating Trust in accordance with the terms of the Liquidating Trust Agreement and the Plan; provided, however, that the Residual Assets shall remain subject to the Liens of the Term Lender Parties.

6. No Revesting Of Assets in the Debtors

The property of the Debtors' Estates shall not be vested in the Debtors on or following the Effective Date, but shall be vested in the Liquidating Trust and continue to be subject to the jurisdiction of the Bankruptcy Court following Confirmation of the Plan until such property is distributed to Holders of Allowed Claims in accordance with the provisions of the Plan, the Liquidating Trust Agreement, and the Confirmation Order. From and after the Effective Date, all such property shall be distributed in accordance with the provisions of the Plan, the Liquidating Trust Agreement, and the Confirmation Order. The Liquidating Trustee may, however, subject to the terms and conditions of the Liquidating Trust Agreement and the Plan, pay fees and expenses that it incurs after the Effective Date for Liquidating Trust Professionals, without application to or approval by the Bankruptcy Court.

7. Accounts And Reserves

The Debtors or the Liquidating Trustee shall (a) establish one or more general accounts into which shall be deposited all funds not required to be deposited into any other account or Reserve and (b) create, fund, and withdraw funds from, as appropriate, the Reserves and such other accounts maintained or established by the Liquidating Trustee.

8. Release Of Liens

Except as otherwise provided in the Sale Orders, the Asset Purchase Agreements, the Sale-Related Settlements, the Final DIP Order, the Plan, the Confirmation Order, or in any document, instrument, or other agreement created in connection with the Plan, on the Effective Date, all mortgages, deeds of trust, liens, or other security interests against the property of the Estates shall be released; provided, however, that the Residual Assets shall remain subject to the Liens of the Term Lender Parties.

9. Exemption From Certain Transfer Taxes

Pursuant to Bankruptcy Code section 1146(a), any transfers from any of the Debtors to the Liquidating Trust or to any other Person pursuant to the Plan in the United States shall not be subject to any stamp tax or similar tax, and the Confirmation Order shall direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

10. Preservation and Settlement Of Causes Of Action and Avoidance Actions

(a) Preservation of Causes of Action and Avoidance Actions.

In accordance with Bankruptcy Code section 1123(b)(3) and except as otherwise provided in the Final DIP Order, the Sale Orders, the Sale-Related Settlements, the Plan or the Confirmation Order, the Liquidating Trust shall retain all of the Causes of Action and Avoidance Actions, a nonexclusive list of which is set forth on Exhibit C, annexed to the Plan, and other similar claims arising under applicable state laws or the Bankruptcy Code. The Liquidating Trustee and the Liquidating Trust may, in accordance with the Liquidating Trust Agreement, enforce, sue on, settle or compromise (or decline to do any of the foregoing) any or all of the Causes of Action and Avoidance Actions, except with respect to those Causes of Action or Avoidance Actions that relate to the prosecution or settlement of 503(b)(9) Claims, which are subject to the agreement and/or consent of the Creditors' Committee, the Steering Committee, the Major Customers and the First Lien Agent pursuant to the Committee Settlement and the Funding Agreement.

The Plan Proponents have not conducted an investigation into the Causes of Action or Avoidance Actions. Accordingly, in considering the Plan, each party in interest should understand that any and all Causes of Action and Avoidance Actions that may exist against such Person or entity may be pursued by the Liquidating Trust and/or the Liquidating Trustee, regardless of whether, or the manner in which, such Causes of Action or Avoidance Actions are

listed on Exhibit C to the Plan or described herein. The failure of the Plan Proponents to list a claim, right, cause of action, suit or proceeding on Exhibit C to the Plan shall not constitute a waiver or release by the Debtors or their Estates of such claim, right of action, suit or proceeding. Such Causes of Action and Avoidance Actions shall survive entry of the Confirmation Order for the benefit of the Debtors and their Estates, and, upon the Effective Date, for the benefit of the Liquidating Trust.

(b) Settlement of Causes of Action and Avoidance Actions.

At any time after the Confirmation Date but before the Effective Date, notwithstanding anything in the Plan to the contrary, the Debtors may settle some or all of the Causes of Action and Avoidance Actions (except those relating to 503(b)(9) Claims) pursuant to Bankruptcy Rule 9019 with the approval of the Court and upon notice to the Creditors' Committee. After the Effective Date, the Liquidating Trust and/or the Liquidating Trustee, in accordance with the terms of the Plan and the Liquidating Trust Agreement, will determine whether to bring, settle, release, compromise, enforce or abandon such rights (or decline to do any of the foregoing) in accordance with the procedures and notice provisions set forth in Article V.F.5(f) of the Plan and, with respect to 503(b)(9) Claims, subject to the agreement and/or consent of the Post-Effective Date Committee, the Steering Committee, the Major Customers and the First Lien Agent pursuant to the Committee Settlement and the Funding Agreement.

11. Effectuating Documents; Further Transactions

The Liquidating Trust and/or the Liquidating Trustee, subject to the terms and conditions of the Liquidating Trust Agreement, shall be authorized to execute, deliver, file or record such contracts, instruments, releases, indentures and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

12. Preservation and Sale of Residual Assets

The Liquidating Trustee shall not sell any of the Residual Assets without the prior written consent of Goldman and the Steering Committee, which consent shall not be unreasonably withheld. All costs and expenses incurred by the Liquidating Trustee and/or the Liquidating Trustee Professionals in administering, preserving, maintaining, transferring, selling or liquidating any of the Residual Assets shall be paid by the First Lien Term Lenders. The Liquidating Trustee shall distribute proceeds from the sale of the Residual Assets to Goldman, net of any outstanding costs and expenses, for the benefit of the First Lien Term Lenders.

J. Provisions Governing Distributions

1. Distributions for Claims Allowed as of the Effective Date

Except as otherwise provided in the Plan, and only after the funding of the Reserves, or as ordered by the Bankruptcy Court, all Distributions to be made on account of Claims that are Allowed Claims as of the Effective Date shall be made on the Initial Distribution Date by the Liquidating Trustee, and on such day as selected by the Liquidating Trustee, in his or her sole discretion. Distributions on account of Claims that first become Allowed Claims after the

Effective Date shall be made pursuant to the terms and conditions of the Plan. Notwithstanding any other provision of the Plan to the contrary, no Distribution shall be made on account of any Allowed Claim or portion thereof that (i) has been satisfied after the Petition Date pursuant to an order of the Bankruptcy Court; (ii) is listed in the schedules as contingent, unliquidated, disputed or in a zero amount, and for which a Proof of Claim has not been timely filed; or (iii) is evidenced by a Proof of Claim that has been amended by a subsequently filed Proof of Claim that purports to amend the prior Proof of Claim.

2. Liquidating Trustee as Disbursing Agent

The Liquidating Trustee shall make all Distributions required under the Plan, subject to the terms and provisions of the Plan and the Liquidating Trust Agreement. The Liquidating Trustee shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court or required by the Bankruptcy Code or the Bankruptcy Rules. The Liquidating Trustee shall be authorized and directed to rely upon the Debtors' books and records and the Debtors' representatives and professionals in determining Allowed Claims not entitled to Distribution under the Plan in accordance with the terms of the Plan.

3. Delivery of Distributions and Undeliverable or Unclaimed Distributions

(a) Delivery of Distributions in General

Distributions to Holders of Allowed Claims shall be made by the Liquidating Trustee (a) at the addresses set forth on the Proofs of Claim filed by such Holders (or at the last known addresses of such Holders if no Proof of Claim is filed or if the Debtors have been notified of a change of address), (b) at the addresses set forth in any written notices of address changes delivered to the Liquidating Trustee after the date of any related Proof of Claim, (c) at the addresses reflected in the Schedules if no Proof of Claim has been filed and the Liquidating Trustee has not received a written notice of a change of address, (d) at the addresses set forth in the other records of the Debtors or the Liquidating Trustee at the time of the Distribution or (e) in the case of the Holder of a Claim that is governed by an agreement and is administered by an agent or servicer, at the addresses contained in the official records of such agent or servicer.

Distributions shall be made from the Reserves, as applicable, in accordance with the terms of the Plan and the Liquidating Trust Agreement.

In making Distributions under the Plan, the Liquidating Trustee may rely upon the accuracy of the claims register maintained by the Claims Agent in the Chapter 11 Cases, as modified by any Final Order of the Bankruptcy Court disallowing Claims in whole or in part.

(b) Undeliverable and Unclaimed Distributions

If the Distribution to any Holder of an Allowed Claim is returned to the Liquidating Trustee as undeliverable or is otherwise unclaimed, no further Distributions shall be made to such Holder unless and until the Liquidating Trustee is notified in writing of such Holder's then-current address, at which time all missed Distributions shall be made to such Holder without interest. Amounts in respect of undeliverable Distributions made by the Liquidating Trustee

shall be returned to the Liquidating Trustee until such Distributions are claimed. The Liquidating Trustee shall segregate and, with respect to Cash, deposit in a segregated account designated as unclaimed distribution reserve (the "Unclaimed Distribution Reserve") undeliverable and unclaimed Distributions for the benefit of all such similarly situated Persons or Governmental Units until such time as a Distribution becomes deliverable or is claimed.

Any Holder of an Allowed Claim that does not assert a Claim pursuant to the Plan for an undeliverable or unclaimed Distribution within six (6) months after the last Distribution Date shall be deemed to have forfeited its Claim for such undeliverable or unclaimed Distribution and shall be forever barred and enjoined from asserting any such Claim for an undeliverable or unclaimed Distribution against the Debtors and their Estates, the Liquidating Trustee, the Liquidating Trust, and their respective agents, attorneys, representatives, employees or independent contractors, and/or any of its and their property. In such cases, any Cash otherwise reserved for undeliverable or unclaimed Distributions shall become the property of the Liquidating Trust free of any restrictions thereon and notwithstanding any federal or state escheat laws to the contrary and shall be returned or distributed in accordance with the terms of the Plan, the Liquidating Trust Agreement and the Funding Agreement. Nothing contained in the Plan or the Liquidating Trust Agreement shall require the Debtors or the Liquidating Trustee to attempt to locate any Holder of an Allowed Claim.

4. Prepayment

Except as otherwise provided in the Plan or the Confirmation Order, the Debtors or the Liquidating Trustee, as the case may be, shall have the right to prepay, without penalty, all or any portion of an Allowed Secured Tax Claim, Allowed Secured Tool Vendor Claim, Allowed 503(b)(9) Clam, Allowed Administrative Claim, Allowed Priority Tax Claim, Allowed Non-Tax Priority Claim, or Allowed Miscellaneous Secured Claim at any time.

5. Means of Cash Payment

Cash payments made pursuant to the Plan shall be in U.S. dollars and shall be made at the option and in the sole discretion of the Liquidating Trustee by (i) checks drawn on or (ii) wire transfers from a domestic bank selected by the Liquidating Trustee. In the case of foreign creditors, Cash payments may be made, at the option of the Liquidating Trustee, in such funds and by such means as are necessary or customary in a particular jurisdiction.

6. Interest on Claims

Unless otherwise specifically provided for in the Asset Purchase Agreements, the Sale Orders, the Plan, or the Confirmation Order, or required by applicable bankruptcy law, postpetition interest shall not accrue or be paid on any Claims, and no Claimholder shall be entitled to interest accruing on or after the Petition Date on any Claim. Interest shall not accrue or be paid upon any Disputed Claim in respect of the period from the Petition Date to the date a final Distribution is made thereon if and after such Disputed Claim becomes an Allowed Claim.

7. Withholding and Reporting Requirements

In accordance with Bankruptcy Code section 346 and in connection with the Plan and all Distributions thereunder, the Liquidating Trustee shall, to the extent applicable, comply with all withholding and reporting requirements imposed by any U.S. federal, state, local, or non-U.S. taxing authority. The Liquidating Trustee shall be authorized to take any and all actions necessary and appropriate to comply with such requirements.

All Distributions made under the Plan may be subject to the withholding and reporting requirements, which are in part described in Section X.E below. As a condition of making any Distribution under the Plan, the Liquidating Trustee may require the Holder of an Allowed Claim to provide such Holder's taxpayer identification number, and such other information, certification, or forms as necessary to comply with applicable tax reporting and withholding laws. Notwithstanding any other provision of the Plan, each entity receiving a Distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of tax obligations on account of any such Distribution.

8. Setoffs

(a) By a Debtor

The Liquidating Trustee may, pursuant to Bankruptcy Code section 553, 558 or any other applicable law, but shall not be required to, set off against any Claim, and the payments or other Distributions to be made pursuant to the Plan in respect of such Claim, Claims of any nature whatsoever that the Debtors may have against the Holder of such Claim; provided, however, that neither the failure to do so nor the allowance of any Claim thereunder shall constitute a waiver or release by the Liquidating Trust and/or the Liquidating Trustee, as the case may be, of any such Claim that the Debtors may have against such Holder.

(b) By Non-Debtors

Unless otherwise authorized by a Final Order, any Holder of a Claim must assert any setoff rights against a Claim by a Debtor against such entity by filing an appropriate motion seeking authority to setoff on or before the Confirmation Date or will be deemed to have waived and be forever barred from asserting any right to setoff against a Claim by a Debtor notwithstanding any statement to the contrary in a Proof of Claim or any other pleading or document filed with the Bankruptcy Court or delivered to the Debtors.

9. Procedure for Treating and Resolving Disputed, Contingent and/or Unliquidated Claims

(a) Objection Deadline; Prosecution of Objections

Except as set forth in the Plan with respect to Professional Fee Claims, 503(b)(9) Claims, and Administrative Claims, all objections to Claims must be filed and served on the Holders of such Claims by the Claims Objection Deadline, as the same may be extended by the Bankruptcy Court. If an objection has not been filed to a Claim or the Schedules have not been amended with respect to a Claim that (i) was Scheduled by the Debtors but (ii) was not Scheduled as

contingent, unliquidated, and/or disputed, by the Claims Objection Deadline, as the same may be extended by order of the Bankruptcy Court, the Claim to which the Proof of Claim or Scheduled Claim relates will be treated as an Allowed Claim if such Claim has not been allowed earlier. Notice of any motion for an order extending the Claims Objection Deadline shall be required to be given only to those persons or entities that have requested notice in the Chapter 11 Cases, or to such persons as the Bankruptcy Court shall order.

From the Confirmation Date through the Claims Objection Deadline, any party in interest, including the Liquidating Trustee, may file objections, settle, compromise, withdraw, or litigate to judgment objections to Claims. From and after the Effective Date, the Liquidating Trustee may settle or compromise any Disputed Claim without approval of the Bankruptcy Court, provided, however, that the Liquidating Trustee may not enter into any settlement seeking allowance of 503(b)(9) Claims without the prior written consent of the Customers, the Steering Committee and the First Lien Agent. Nothing contained herein, however, shall limit the right of the Liquidating Trustee to object to Claims, if any, filed or amended after the Effective Date.

(b) No Distributions Pending Allowance

Notwithstanding any other provision of the Plan or the Liquidating Trust Agreement, no payments or Distributions shall be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by Final Order, and the Disputed Claim, or some portion thereof, has become an Allowed Claim. To the extent that a Claim is not a Disputed Claim but is held by a Holder that is or may be liable to the Debtors, the Liquidating Trustee, and/or the Liquidating Trust on account of a Cause of Action, no payments or Distributions shall be made with respect to all or any portion of such Claim unless and until such Claim and liability have been settled or withdrawn or have been determined by Final Order of the Bankruptcy Court or such other court having jurisdiction over the matter.

On each Distribution Date, the Liquidating Trustee will make Distributions (a) on account of any Disputed Claim that has become an Allowed Claim since the preceding Distribution Date and (b) on account of previously Allowed Claims, from the applicable Reserves, of property that would have been distributed to such Claimholders on the dates Distributions previously were made to Holders of Allowed Claims had the Disputed Claims that have become Allowed Claims been Allowed on such dates. Such Distributions will be made pursuant to the provisions of the Plan governing the applicable Class.

(c) Distributions After Allowance

Payments and Distributions from the applicable Reserves to each respective Claimholder on account of a Disputed Claim, to the extent that it ultimately becomes an Allowed Claim, will be made in accordance with provisions of the Plan that govern Distributions to such Claimholders. On the first Distribution Date following the date when a Disputed Claim becomes an undisputed, noncontingent, and liquidated Claim, the Liquidating Trustee will distribute to the Claimholder any Cash from the applicable Reserves that would have been distributed on the dates Distributions were previously made to Claimholders had such Allowed Claim been an Allowed Claim on such dates. After a Final Order has been entered, or other final resolution has

been reached with respect to all Disputed Claims, any remaining Cash held in the applicable Reserves shall be returned or distributed in accordance with the other provisions of the Plan, the Liquidating Trust and the Funding Agreement. All Distributions made under Article VI of the Plan on account of an Allowed Claim will be made together with any dividends, payments, or other Distributions made on account of, as well as any obligations arising from, the distributed property as if such Allowed Claim had been an Allowed Claim on the dates Distributions were previously made to Holders of Allowed Claims included in the applicable Class.

(d) De Minimis Distributions

The Liquidating Trustee shall not have any obligation to make a Distribution on account of an Allowed Claim from any Reserve or otherwise if (a) the aggregate amount of all Distributions authorized to be made from such Reserve or otherwise on the Distribution Date in question (other than the final Distribution Date) is or has a value less then $250,000, or (b) if the amount to be distributed to the specific Holder of the Allowed Claim on the particular Distribution Date does not constitute a final Distribution to such Holder and such Distribution has a value less than $10.00. The Liquidating Trustee shall have no obligation to make any Distribution, whether final or not, unless and until the total amount of such Distribution to a specific Holder of an Allowed Claim is equal to or greater than $5.00.

10. Fractional Dollars

Any other provision of the Plan notwithstanding, the Liquidating Trustee shall not be required to make Distributions or payments of fractions of dollars. Whenever any payment of a fraction of a dollar under the Plan would otherwise be called for, the actual payment shall reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars being rounded down.

11. Allocation of Plan Distributions Between Principal and Interest

To the extent that any Allowed Claim entitled to a Distribution under the Plan is composed of indebtedness and accrued but unpaid interest thereon, such Distribution shall, for all income tax purposes, be allocated to the principal amount of the Claim first and then, to the extent the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest.

12. Distribution Record Date

The Liquidating Trustee will have no obligation to recognize the transfer of or sale of any participation in any Allowed Claim that occurs after the close of business on the Distribution Record Date, and will be entitled for all purposes herein to recognize and distribute only to those Holders of Allowed Claims who are Holders of such Claims, or participants therein, as of the close of business on the Distribution Record Date. Instead, the Liquidating Trustee shall be entitled to recognize and deal for all purposes under the Plan with only those record holders stated on the official claims register as of the close of business on the Distribution Record Date.

K. Treatment Of Executory Contracts And Unexpired Leases

1. Rejected (Non-Union) Contracts And Leases

Except with respect to the Union Contracts (whose treatment under this Plan is described in Section VII.D of the Plan), and except as otherwise provided in the Confirmation Order, the Plan, or any other Plan Document, the Confirmation Order shall constitute an order under Bankruptcy Code section 365 rejecting all prepetition executory contracts, including purchase orders, and unexpired leases to which any Debtor is a party, to the extent such contracts or leases are executory contracts or unexpired leases, on and subject to the occurrence of the Effective Date, unless such contract or lease (a) previously shall have been assumed, assumed and assigned, or rejected by the Debtors, (b) previously shall have expired or terminated pursuant to its own terms before the Effective Date, (c) is the subject of a pending motion to assume or reject on the Confirmation Date, or (d) is identified in Exhibit D to the Plan as an insurance agreement of the Debtors; provided, however, that the Debtors may amend such Exhibit D at any time prior to the Confirmation Date; provided further however, that listing an insurance agreement on such Exhibit shall not constitute an admission by a Debtor that such agreement is an executory contract or that any Debtor has any liability thereunder.

2. Bar To Rejection Damages

If the rejection of an executory contract or unexpired lease pursuant to Article VII.A of the Plan gives rise to a Claim by the other party or parties to such contract or lease, such Claim shall be forever barred and shall not be enforceable against the applicable Debtor or its Estate, the Liquidating Trust, or their respective successors or properties unless a Proof of Claim is filed and served on the Liquidating Trustee and counsel for Liquidating Trustee within thirty (30) days after service of a notice of the Effective Date or such other date as is prescribed by the Bankruptcy Court.

3. Assumed And Assigned (Non-Union) Contracts And Leases

Except with respect to the Union Contracts (whose treatment under the Plan is described in Section VII.D of the Plan), and except as otherwise provided in the Confirmation Order, the Plan, or any other Plan Document entered into after the Petition Date or in connection with the Plan, the Confirmation Order shall constitute an order under Bankruptcy Code section 365 assuming and assigning to an applicable non-debtor third party, as of the Effective Date, those agreements listed on Exhibit D to the Plan; provided, however, that the Debtors may amend such Exhibit at any time prior to the Confirmation Date; provided further, however, that listing an insurance agreement on such Exhibit shall not constitute an admission by a Debtor that such agreement is an executory contract or that any Debtor has any liability thereunder.

4. Non-Assumed Union Contracts and Leases

Each operationally defunct Union Contract that remains extant as of the Effective Date and not deemed to have been automatically assumed and assigned in accordance with the Plan shall be allowed to expire in accordance with the terms governing such Union Contract.

L. Confirmation And Consummation Of The Plan

1. Conditions To Confirmation

The following are conditions precedent to the occurrence of the Confirmation Date:

(a) The entry of a Final Order finding that the Disclosure Statement contains adequate information pursuant to Bankruptcy Code section 1125;

(b) The proposed Confirmation Order shall be, in form and substance, reasonably acceptable to the Plan Proponents, the Steering Committee, the Major Customers and Goldman; and

(c) All provisions, terms and conditions of the Plan are approved in the Confirmation Order.

Conditions To Effective Date

The following are conditions precedent to the occurrence of the Effective Date, each of which must be satisfied or waived in writing in accordance with Article VIII.C of the Plan.

(a) The Confirmation Order shall have been entered and become a Final Order and shall provide that the Debtors, the Liquidating Trust and the Liquidating Trustee are authorized and directed to take all actions necessary or appropriate to enter into, implement and consummate the contracts, instruments, releases, leases, indentures, and other agreements or documents created in connection with the Plan or effectuate, advance, or further the purposes thereof;

(b) All Plan Exhibits shall be, in form and substance, reasonably acceptable to the Plan Proponents, the Steering Committee, the Major Customers and Goldman, and shall have been executed and delivered by all parties signatory thereto;

(c) The Debtors shall be authorized and directed to take all actions necessary or appropriate to enter into, implement and consummate the contracts, instruments, releases, leases, indentures, and the agreements or documents created in connection with the Plan;

(d) All other actions, documents, and agreements necessary to implement the Plan shall have been effected or executed; and

(e) The Reserves shall have been funded.

2. Waiver Of Conditions

Each of the conditions set forth in Articles VIII.A and VIII.B of the Plan may be waived in whole or in part by the Plan Proponents, with the exception of Articles VIII.A.2 and VIII.B.2, which conditions may be waived in whole or in part by the Plan Proponents, the Steering Committee, the Major Customers and Goldman. The failure to satisfy or waive any condition to the Effective Date may be asserted by the Plan Proponents regardless of the circumstances giving rise to the failure of such condition to be satisfied. The failure of a party 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.

3. Consequences Of Non-Occurrence Of Effective Date

In the event that the Effective Date does not timely occur, the Plan Proponents reserve all rights to seek an order from the Bankruptcy Court directing that the Confirmation Order be vacated, that the Plan be null and void in all respects, and/or that any settlement of Claims provided for in the Plan be null and void. In the event that the Bankruptcy Court shall enter an order vacating the Confirmation Order, the time within which the Debtors may assume and assign, or reject all executory contracts and unexpired leases not previously assumed, assumed and assigned, or rejected, shall be extended for a period of thirty (30) days after the date the Confirmation Order is vacated, without prejudice to further extensions.

M. Allowance And Payment Of Certain Administrative Claims

1. Professional Fee Claims

(a) Final Fee Applications

All final requests for payment of Professional Fee Claims (the "Final Fee Applications") must be filed no later than forty-five (45) days after the Effective Date. Objections, if any, to Final Fee Applications of such Professionals must be filed and served on the Debtors and their respective counsel, the Creditors' Committee and its counsel or, as applicable, the Post-Effective Date Committee and its counsel, the Liquidating Trustee and his or her respective counsel, the requesting Professional and the Office of the United States Trustee no later than forty-five (45) days from the date on which each such Final Fee Application is served and filed. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior orders of the Bankruptcy Court, the allowed amounts of such Professional Fee Claims shall be determined by the Court.

(b) Employment of Professionals after the Effective Date

From and after the Effective Date, any requirement that professionals comply with Bankruptcy Code sections 327 through 331 or any order previously entered by the Bankruptcy Court in seeking retention or compensation for services rendered or expenses incurred after such date will terminate.

2. Substantial Contribution Compensation and Expenses Bar Date

Any Person who wishes to make a Substantial Contribution Claim based on facts or circumstances arising after the Petition Date, must file an application with the clerk of the Court, on or before the Final Administrative Claims Bar Date, and serve such application on counsel for the Plan Proponents and as otherwise required by the Court and the Bankruptcy Code on or before the Final Administrative Claims Bar Date, or be forever barred from seeking such compensation or expense reimbursement. Objections, if any, to the Substantial Contribution Claim must be filed no later than the Administrative Claims Objection Deadline, unless otherwise extended by Order of the Court.

3. Other Administrative Claims

All other Administrative Expense Requests arising after May 30, 2008, other than Professional Fee Claims, must be filed with the Court and served on counsel for the Plan Proponents no later than the Final Administrative Claims Bar Date. Unless the Debtors, the Liquidating Trustee, or any other party in interest objects to an Administrative Claim by the Administrative Claims Objection Deadline, such Administrative Claim shall be deemed allowed in the amount requested. In the event that the Debtors, the Liquidating Trustee, or any other party in interest objects to an Administrative Claim, the Bankruptcy Court shall determine the allowed amount of such Administrative Claim.

N. Effect Of Plan Confirmation

1. Binding Effect

The Plan shall be binding upon and inure to the benefit of the Debtors, all present and former Holders of Claims and Interests, and their respective successors and assigns, including, but not limited to the Liquidating Trust and the Liquidating Trustee.

2. Discharge of the Debtors

Pursuant to Bankruptcy Code section 1141(d)(3), Confirmation will not discharge Claims against the Debtors; provided, however, that, other than as provided in the Sale Orders, Asset Purchase Agreements or Sale-Related Settlements, no Claimholder or Interest Holder may, on account of such Claim or Interest, seek or receive any payment or other distribution from, or seek recourse against, any Debtor, the Liquidating Trust, the Liquidating Trustee, and/or their respective successors, assigns and/or property, except as expressly provided in the Plan.

3. Releases by the Debtors

The Plan provides for certain releases to be granted by the Debtors in favor of any of the other Debtors and any of the Debtors' non-Debtor affiliates; the present or former directors, officers, and employees of any of the Debtors or any of the Debtors' non-Debtor affiliates; any Professionals of the Debtors; the DIP Lenders and their advisors; and the Creditors' Committee, its members, and its and their advisors, respectively (but not its members in their individual capacities).

Specifically, as of the Effective Date, for good and valuable consideration, the Liquidating Trustee and any successors and/or assigns, will be deemed to forever release, waive, and discharge all claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, Avoidance Actions, and liabilities whatsoever in connection with or related to the Debtors, the conduct of the Debtors' business, the Chapter 11 Cases, the Sales, the Sale-Related Settlements or the Plan (other than the rights of the Debtors and the Liquidating Trustee to enforce the Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity, or otherwise, that are based in whole or part on any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date in any way relating to the Debtors, the Chapter 11 Cases, the Sales, the Sale-Related Settlements or the Plan, and that may be asserted by or on behalf of the Estates, the Liquidating Trust or the Liquidating Trustee against (i) any of the other Debtors and any of the Debtors' non-Debtor affiliates, (ii) any of the present or former directors, officers, or employees of any of the Debtors or any of the Debtors' non-Debtor affiliates as of the Petition Date, acting in such capacity, except with respect to any personal loans incurred by such Persons, (iii) any Professionals of the Debtors, (iv) the Major Customers, (v) the Primary Shareholder, (vi) the Brown Entities and (vii) the Creditors' Committee, its members, and its and their advisors, respectively (but not its members in their individual capacities); *provided*, *however*, that such release will not be deemed to prohibit the Liquidating Trustee from asserting and enforcing any claims, obligations, suits, judgments, demands, debts, rights, Causes of Action, Avoidance Actions or liabilities they may have against any employee (other than any director or officer) that is based upon an alleged breach of a confidentiality, noncompete, or any other contractual or fiduciary obligation owed to the Debtors.

Furthermore, pursuant to the Term Lender Settlement Order, the Debtors and their respective Estates waived and released any and all Claims under or in connection with the Term Loan Facilities, or any act or failure to act thereunder or the bankruptcy cases of the Debtors, against any or all of the Term Lender Parties, the First Lien and Second Lien Steering Committees, and all agents, employees, attorneys and partners of the foregoing, in each case including without limitation any and all claims under contract or tort lender liability theories or pursuant to Bankruptcy Code sections 105, 362, 510, 544, 547, 548, 549, 550 or 553, other than Claims, counterclaims, defenses, setoffs or causes of action against any Agent in response to or as a result of any Claims, counterclaims or causes of action such Agent may assert against the Debtors, their Estates and/or their directors and officers, which Claims, counterclaims, defenses, setoffs or causes of action of the Debtors, their Estates and/or their directors and officers are expressly maintained.

The Liquidating Trustee and any successors and/or assigns, shall be bound, to the same extent the Debtors are bound, by all the releases and restrictions set forth in Article X of the Plan and the releases, waivers and discharges provided for in the Sale Orders, the Asset Purchase Agreements, the Sale-Related Settlements and the Final DIP Order. Nothing in the Plan or in the Confirmation Order is intended to or shall be deemed in any way to alter the releases, waivers, and discharges provided by such documents.

4. Releases by Term Lender Parties

Pursuant to the Term Lender Settlement Order, the Term Lenders fully released, discharged and acquitted the Debtors' directors, officers and employees in their capacities as directors, officers and employees of the Debtors (other than the Primary Shareholder and the Brown Entities) from and against any and all claims (other than the Prepetition Debt), in law or in equity, including any claim under any contract or tort liability theories or pursuant to any section of the Bankruptcy Code, or any costs or expenses, in connection with any and all claims (in each case, whether known or unknown, suspected or unsuspected, accrued or unaccrued, asserted or not asserted, contingent or not contingent), or any act or failure to act thereunder, from the beginning of time through the date of the Term Lender Settlement Order; *provided, however*, that the releases of Julie N. Brown, James A. Brown, and the other members of the Brown Entities are subject to and governed by the Brown Settlement.

5. Injunction

Except as otherwise provided in the Plan, the Confirmation Order shall provide, among other things, that from and after the Effective Date all Persons who have held, hold or may hold Claims against or Interests in the Debtors are permanently enjoined from taking any of the following actions against the Estate(s), the Liquidating Trust, the Liquidating Trustee, or any of their property on account of any such Claims or Interests: (A) commencing or continuing, in any manner or in any place, any action or other proceeding; (B) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree or order; (C) creating, perfecting, or enforcing any lien or encumbrance; (D) asserting a setoff, right of subrogation, or recoupment of any kind against any debt, liability, or obligation due to the Debtors; and (E) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of the Plan; *provided, however*, that nothing contained herein shall preclude such Persons from exercising their rights pursuant to and consistent with the terms of the Plan, the Confirmation Order, the Sale Orders, the Sale-Related Settlements or the Asset Purchase Agreements.

The Confirmation Order shall further provide that all Persons are permanently enjoined from obtaining any documents or other materials from current counsel for the Debtors and/or current counsel for the Creditors' Committee that are in the possession of such counsel as a result of or arising in any way out of their representation of the Debtors or the Creditors' Committee as applicable, except in accordance with Article V.C.3. of the Plan.

6. Exculpation and Limitation of Liability

Except as otherwise specifically provided in the Plan, the Debtors, the Liquidating Trustee, the Liquidating Trust, the Major Customers, the Primary Shareholder, the Brown Entities, the Term Lenders, the Creditors' Committee, the members of the Creditors' Committee, in their capacity as such, and any of such parties' respective present or former members, officers, directors, employees, advisors, attorneys, representatives, financial advisors, investment bankers, or agents and any of such parties' successors and assigns, shall not have or incur any claim, action, proceeding, cause of action, Avoidance Action, suit, account, controversy, agreement, promise, right to legal remedies, right to equitable remedies, right to payment, or Claim (as

defined in Bankruptcy Code Section 101(5)), whether known, unknown, reduced to judgment, not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured and whether asserted or assertable directly or derivatively, in law, equity, or otherwise to one another or to any Claimholder or Interest Holder, or any other party in interest, or any of their respective agents, employees, representatives, financial advisors, attorneys, or Affiliates, or any of their successors or assigns, for any act or omission originating or occurring on or after the Petition Date through and including the Effective Date in connection with, relating to, or arising out of the Debtors, the Chapter 11 Cases, the negotiation and filing of the Plan or any prior plans of reorganization, the filing of the Chapter 11 Cases, the pursuit of confirmation of the Plan or any prior plans of reorganization, the Sale Orders, the Sale-Related Settlements, the consummation of the Plan, the administration of the Plan, or the property to be liquidated and/or distributed under the Plan, except for their willful misconduct or gross negligence as determined by a Final Order of a court of competent jurisdiction, and in all respects shall be entitled to rely reasonably upon the advice of counsel with respect to their duties and responsibilities under the Plan.

7. Term of Bankruptcy Injunction or Stays

All injunctions or stays provided for in the Chapter 11 Cases under Bankruptcy Code section 105 or 362, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date. Upon the Effective Date, the injunction provided in Article X.D of the Plan shall apply.

8. Compromises and Settlements

Pursuant to Bankruptcy Rule 9019(a) and with the consent of the Creditors' Committee, which consent shall not be unreasonably withheld, the Debtors may compromise and settle various Claims (a) against them and (b) that they have against other Persons. The Debtors expressly reserve the right (with Bankruptcy Court approval, following appropriate notice and opportunity for a hearing) to compromise and settle Claims against them and Claims that they may have against other Persons (except with respect to 503(b)(9) Claims) up to and including the Effective Date. After the Effective Date, such right shall pass to the Liquidating Trustee and the Liquidating Trust and shall be governed by the terms of Article V.F of the Plan, the Liquidating Trust Agreement, the Funding Agreement and the Committee Settlement.

9. Indemnification Obligations

Except as otherwise provided in the Plan, the Sale Orders, the Asset Purchase Agreements, the Sale-Related Settlements, or any contract, instrument, release, or other agreement or document entered into in connection with the Plan, any and all indemnification obligations that the Debtors have pursuant to a contract, instrument, agreement, certificate of incorporation, by-law, comparable organizational document or any other document, or applicable law shall be rejected as of the Effective Date, to the extent executory.

10. Settlement of Claims and Controversies

Pursuant to Bankruptcy Code section 1123(b)(3) and Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under, described in, contemplated

by and/or implemented by the Plan, including but not limited to the Distributions contemplated by the Plan shall constitute a good faith compromise and settlement of all claims or controversies relating to the rights and Claims of the parties entitled to receive such Distributions under the Plan, and shall constitute a good faith compromise and settlement of all controversies relating to distributions on account of such Claims. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such controversies, and the Bankruptcy Court's finding that such compromises and settlements are fair, equitable and reasonable, and in the best interests of the Debtors, their Estates, and all Claimholders.

O. Retention Of Jurisdiction

Under Bankruptcy Code sections 105(a) and 1142, and notwithstanding entry of the Confirmation Order, substantial consummation of the Plan and occurrence of the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, and related to, the Chapter 11 Cases and the Plan to the fullest extent permitted by law, including, among other things, jurisdiction to:

(a) Allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim, the resolution of any objections to the allowance or priority of Claims or Interests and the determination of requests for the payment of claims entitled to priority under Bankruptcy Code section 507(a)(1), including compensation of any reimbursement of expenses of parties entitled thereto;

(b) Hear and determine all applications for compensation and reimbursement of expenses of Professionals under the Plan or under Bankruptcy Code sections 330, 331, 503(b), 1103, and 1129(a)(4); provided, however, that from and after the Effective Date, the payment of the fees and expenses of the retained Professionals of the Liquidating Trust and/or the Liquidating Trustee shall be made in the ordinary course of business and shall not be subject to the approval of the Bankruptcy Court;

(c) Hear and determine all matters with respect to the assumption or rejection of any executory contract or unexpired lease to which a Debtor is a party or with respect to which a Debtor may be liable, and to hear, determine and, if necessary, liquidate any Claims arising therefrom;

(d) Effectuate performance of and payments under the provisions of the Plan;

(e) Hear and determine any and all adversary proceedings, motions, applications and contested or litigated matters arising out of, under

or related to the Chapter 11 Cases, the Plan or the Liquidating Trust Agreement;

(f) Enter such orders as may be necessary or appropriate to execute, implement or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents created in connection with the Plan, the Disclosure Statement or the Confirmation Order;

(g) Hear and determine disputes arising in connection with the interpretation, implementation, consummation or enforcement of the Plan, including disputes arising under agreements, documents or instruments executed in connection with the Plan;

(h) Consider any modifications of the Plan, cure any defect or omission or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;

(i) Issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any entity with implementation, consummation, or enforcement of the Plan or the Confirmation Order;

(j) Enter and implement such orders as may be necessary or appropriate if the Confirmation Order is for any reason reversed, stayed, revoked, modified or vacated;

(k) Hear and determine any matters arising in connection with or relating to the Plan, the Plan Supplement, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with the Plan, the Plan Supplement, the Disclosure Statement or the Confirmation Order;

(l) Enforce all orders, judgments, injunctions, releases, exculpations, indemnifications and rulings entered in connection with the Chapter 11 Cases;

(m) Except as otherwise limited in the Plan, recover all assets of the Debtors and property of the Estates, wherever located;

(n) Hear and determine matters concerning state, local and federal taxes in accordance with Bankruptcy Code sections 346, 505 and 1146;

(o) Hear and determine all matters related to the property of the Estates including, but not limited to, the Unencumbered Assets, from and after the Confirmation Date;

(p) Hear and determine the Causes of Action and the Avoidance Actions;

(q) Hear and determine all disputes involving the existence, nature or scope of the injunctions, indemnification, exculpation and releases granted pursuant to this Plan, the Sale Orders and/or the Asset Purchase Agreements;

(r) Hear and determine all disputes or other matters arising in connection with the interpretation, implementation or enforcement of the Asset Purchase Agreements, the Sale Orders and/or the Sale-Related Settlements;

(s) Hear and determine all matters related to (i) the property of the Estates from and after the Confirmation Date, (ii) the winding up of the Debtors' affairs, and (iii) the activities of the Liquidating Trust and/or the Liquidating Trustee, including (A) challenges to or approvals of the Liquidating Trustee's activities, (B) resignation, incapacity or removal of the Liquidating Trustee and successor Liquidating Trustees, (C) reporting by, termination of and accounting by the Liquidating Trustee, and (D) release of the Liquidating Trustee from its duties;

(t) Hear and determine disputes with respect to compensation of the Liquidating Trustee and the Liquidating Trustee Professionals;

(u) Hear and determine all disputes involving the existence, nature and/or scope of the injunctions and releases provided in the Plan, including any dispute relating to any liability arising out of any termination of employment or the termination of any employee or retiree benefit provision, regardless of whether such termination occurred prior to or after the Effective Date;

(v) Hear and determine such other matters as may be provided in the Confirmation Order or as may be authorized under, or not inconsistent with, provisions of the Bankruptcy Code;

(w) Enforce all orders previously entered by the Bankruptcy Court;

(x) Dismiss any and/or all of the Chapter 11 Cases; and

(y) Enter a final decree closing the Chapter 11 Cases.

IX. CERTAIN RISK FACTORS TO BE CONSIDERED

The holder of a Claim against any of the Debtors should read and carefully consider the following factors, as well as the other information set forth in this Disclosure Statement (and the documents delivered together herewith and/or incorporated by reference herein), before deciding whether to vote to accept or to reject the Plan.

A. General Considerations

The Plan sets forth the means for satisfying the Claims against each of the Debtors. Certain Claims and Interests receive no distributions pursuant to the Plan.

B. Certain Bankruptcy Considerations

Even if all Impaired voting classes vote in favor of the Plan, and with respect to any Impaired Class deemed to have rejected the Plan the requirements for "cramdown" are met, the Bankruptcy Court may choose not to confirm the Plan. Bankruptcy Code section 1129 requires, among other things, a showing that the value of distributions to dissenting holders of Claims and Interests may not be less than the value such holders would receive if the Debtors were liquidated under Chapter 7 of the Bankruptcy Code. See Article XI.D. Although the Debtors believe that the Plan will meet such tests, there can be no assurance that the Bankruptcy Court will reach the same conclusion. See Appendix C annexed hereto for a Liquidation Analysis of the Debtors.

The Plan provides for certain conditions that must be fulfilled prior to confirmation of the Plan and the Effective Date. As of the date of this Disclosure Statement, there can be no assurance that any or all of the conditions in the Plan will be met (or waived) or that the other conditions to consummation, if any, will be satisfied.

In addition, if a Chapter 7 liquidation were to occur, there is a substantial risk that the value of the Debtors' Estates would be substantially eroded to the detriment of all stakeholders.

C. Administrative and Priority Claims

As discussed elsewhere in this Disclosure Statement, the Plan provides that additional Distributions under the Plan (in excess of Distributions made during the Chapter 11 Cases and at the Closing of the Sales) to Holders of General Unsecured Claims are entirely dependent on whether there will be net Cash remaining after payment in full of all Allowed Secured Tax, Secured Tool Vendor, Miscellaneous Secured, Administrative, 503(b)(9), Priority Tax, and Non-Priority Tax Claims, and all other costs and expenses of the wind-down of the Debtors' Estates.

While the Debtors currently estimate that there will be Cash available for Distribution to Unsecured Creditors, all Secured Tax, Secured Tool Vendor, Miscellaneous Secured, Administrative, 503(b)(9), Non-Tax Priority, and Priority Tax Claims have not yet been resolved or fixed in amount, and all costs and expenses of completing the wind-down of the Estates cannot be estimated with certainty. As a result, the actual allowed amounts of all such Claims could turn out to be substantially higher than the estimate made by the Debtors herein, and there can be no assurance that there will be Cash available for distribution to Unsecured Creditors.

Additionally, as the number and amount of Priority Tax Claims, 503(b)(9) Claims and Administrative Claims are presently unknown to the Debtors, it is possible that, if the actual number and amount of Priority Tax Claims, 503(b)(9) Claims and Administrative Claims exceeds the Debtors' estimates, the Debtors may not obtain enough cash to satisfy all Priority Tax Claims, 503(b)(9) Claims and Administrative Claims in full. This could occur for a number of different reasons, including the assertion and allowance of an Administrative Claim by the IRS arising in connection with or related to the Sales and the Debtors' accounting therefor. Accordingly, should Priority Tax Claims, 503(b)(9) Claims and Administrative Claims exceed the amount of cash held by the Debtors and Holders of such Priority Tax Claims, 503(b)(9) Claims and Administrative Claims refuse to consent to less than payment in full, the Bankruptcy Court may deny confirmation of the Plan. As set forth elsewhere in the Plan and the Disclosure Statement, the Debtors reserve their right to seek to dismiss or convert one or more of the Chapter 11 Cases.

D. Risk of Administrative Insolvency Due to Administrative Claims

Due in part to the large number and amount of Administrative Claims that have been filed in the Chapter 11 Cases, there is a significant risk that if such Administrative Claims are Allowed in full, the proceeds from the Sales and the funding provided in accordance with the Final DIP Order, the Committee Settlement and the Funding Agreement will be insufficient to pay all such Administrative Claims as required by section 1129(a)(9)(A) of the Bankruptcy Code. The Debtors believe that many of the Administrative Claims are subject to disallowance under section 502 of the Bankruptcy Code. However, in the event that such Administrative Claims are not disallowed or otherwise reduced, one or more of the Debtors could be administratively insolvent due to their inability to pay Administrative Claims in full in Cash on the Effective Date of the Plan. Under such circumstances, and absent the acquisition of additional funding, the Debtors will be unable to meet the necessary requirements for plan confirmation under the Bankruptcy Code and may need to consider dismissal of one or more of the Chapter 11 Cases or conversion of such cases to cases under Chapter 7 of the Bankruptcy Code.

E. Potential Governmental Claims Relating to Employee Benefits

The Debtors' employee benefit plans are subject to the regulatory authority of governmental agencies including the Pension Benefit Guaranty Corporation (the "PBGC"), the Department of Labor and the Internal Revenue Service. The Debtors' pension plan is potentially underfunded, and none of the Purchasers assumed the pension plan in connection with the Sales, with the exception of JCIM, which assumed the part of the pension plan in connection with the Interiors Sale solely with respect to the employees at the facility in Port Huron. PBGC, as the government agency that affords certain guarantees of pension plan liabilities, may assert large claims based upon the estimate of the difference between liabilities to the Debtors' plan beneficiaries and the current value of the plan assets. The ultimate allowance of Claims that have been filed against the Debtors by the PBGC may impact the Distributions to Holders of Class 7 General Unsecured Claims.

F. Certain Tax Considerations

There are a number of income tax considerations, risks, and uncertainties associated with consummation of the Plan. Interested parties should read carefully the discussions set forth in Article X of this Disclosure Statement regarding certain U.S. federal income tax consequences of the transactions proposed by the Plan to the Debtors and to certain holders of Claims who are entitled to vote to accept or reject the Plan.

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

The following discussion summarizes certain anticipated U.S. federal income tax consequences of the Plan to certain Claimholders that are entitled to vote to accept or reject the Plan. This discussion is provided for information purposes only and is based on the Internal Revenue Code of 1986, as amended (the "Tax Code"), Treasury regulations promulgated thereunder, judicial authorities, and current administrative rulings and practice, all as in effect as of the date hereof, and all of which are subject to change, possibly with retroactive effect, that could adversely affect the U.S. federal income tax consequences described below.

This discussion does not address all aspects of U.S. federal income taxation that may be relevant to a particular Claimholder in light of its particular facts and circumstances, or to certain types of Claimholders subject to special treatment under the Tax Code (for example, governmental entities and entities exercising governmental authority, non-U.S. taxpayers, banks and certain other financial institutions, broker-dealers, insurance companies, tax-exempt organizations, real estate investment trusts, regulated investment companies, persons holding a Claim as part of a hedge, straddle, constructive sale, conversion transaction or other integrated transaction, Claimholders that are or hold their Claims through a partnership or other pass-through entity, and persons that have a functional currency other than the U.S. dollar). This discussion assumes that Claimholders hold their claims as capital assets for U.S. federal income tax purposes (generally, property held for investment). This discussion does not address any aspects of state, local, non-U.S. taxation or U.S. federal taxation other than income taxation. Furthermore, this discussion does not address the U.S. federal income tax consequences to Claimholders that are unimpaired under the Plan or Claimholders that are not entitled to receive or retain any property under the Plan.

The tax treatment of Claimholders and the character, amount and timing of income, gain or loss recognized as a consequence of the Plan and the distributions provided for by the Plan may vary, depending upon, among other things: (i) whether the Claim (or portion thereof) constitutes a Claim for principal or interest; (ii) the type of consideration received by the Claimholder in exchange for the Claim and whether the Claimholder receives distributions under the Plan in more than one taxable year; (iii) whether the Claimholder is a citizen or resident of the United States for tax purposes, is otherwise subject to U.S. federal income tax on a net basis, or falls into any special class of taxpayers, such as those that are excluded from this discussion as noted above; (iv) the manner in which the Claimholder acquired the Claim; (v) the length of time that the Claim has been held; (vi) whether the Claim was acquired at a discount; (vii) whether the Claimholder has taken a bad debt deduction with respect to the Claim (or any portion thereof) in the current or prior years; (viii) whether the Claimholder has previously included accrued but unpaid interest with respect to the Claim; (ix) the method of tax accounting of the Claimholder;

(x) whether the Claim is an installment obligation for U.S. federal income tax purposes; (xi) whether the Claim, and any instrument received in exchange therefor, is considered a "security" for U.S. federal income tax purposes; and (xii) whether the "market discount" rules are applicable to the Claimholder. Therefore, each Claimholder should consult its tax advisor for information that may be relevant to its particular situation and circumstances, and the particular tax consequences to such Claimholder of the transactions contemplated by the Plan.

A substantial amount of time may elapse between the date of this Disclosure Statement and the receipt of a final distribution under the Plan. Events occurring after the date of this Disclosure Statement, such as additional tax legislation, court decisions or administrative changes, could affect the U.S. federal income tax consequences of the Plan and the transactions contemplated thereunder. There can be no assurance that the Internal Revenue Service ("IRS") will not take a contrary view with respect to one or more of the issues discussed below. No ruling has been or will be sought from the IRS with respect to any of the tax aspects of the Plan, and no opinion of counsel has been or will be obtained by the debtors with respect thereto. No representations are being made regarding the particular tax consequences of the confirmation or implementation of the Plan as to any Claimholder. This discussion is not binding upon the IRS or other taxing authorities. No assurance can be given that the IRS or another authority would not assert, or that a court would not sustain, a different position from any discussed herein. Accordingly, each Claimholder is strongly urged to consult its tax advisor regarding the U.S. federal, state, local, and non-U.S. tax consequences of the Plan to such Claimholder.

THE FOLLOWING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN U.S. FEDERAL TAX CONSEQUENCES OF THE PLAN AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE FOLLOWING DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A CLAIMHOLDER'S PARTICULAR CIRCUMSTANCES. ACCORDINGLY, EACH CLAIMHOLDER IS STRONGLY URGED TO CONSULT ITS TAX ADVISOR REGARDING THE U.S. FEDERAL, STATE, LOCAL, AND APPLICABLE NON-U.S. INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN.

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, CLAIMHOLDERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES IN THIS DISCLOSURE STATEMENT IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY CLAIMHOLDERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON CLAIMHOLDERS UNDER THE TAX CODE; (B) SUCH DISCUSSION IS BEING USED IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE DEBTORS OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) EACH CLAIMHOLDER SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

A. Consequences to the Debtors

Under the Plan, certain assets of the Debtors were transferred in connection with the Sales, while other assets will be transferred to the Liquidating Trust. In each case, the transfer of assets (other than cash) by the Debtors will be a fully taxable transaction that will result in the recognition of gain or loss by the transferring Debtor equal to the difference between the fair market value and adjusted tax basis of the transferred assets. In the case of assets transferred by PEPI and the Debtor Subsidiaries that, immediately prior to the Effective Date, were disregarded as separate from PEPI for tax purposes, any such gain or loss will be passed through to the shareholders of PEPI, and no such gain will be subject to tax at the PEPI level. In the case of assets transferred by LDM Technologies, Plastech Exterior, and their respective subsidiaries, the Debtors anticipate that any net gain resulting from such transfers will be offset by the tax attributes available to the transferor or the affiliated group of corporations of which it is a member, such as net operating losses, capital loss carry-forwards, bad debt deductions, asset basis, or other deductions from, or offsets to, income. Such Debtors may, however, recognize some alternative minimum tax as a result of the transfers of these assets. Any such tax will be paid by the Debtors to the IRS.

The foregoing conclusions are based on, among other things, the Debtors' assumptions concerning the fair market value of their respective assets and the nature and magnitude of their respective tax attributes. Although the Debtors believe such assumptions are correct and appropriate, the IRS may challenge one or more of those assumptions, and if the IRS were to prevail in any such challenge, the Debtors' estates could be subject to a potentially significant tax liability that might be allowed as an Administrative Claim. Such an Allowed Administrative Claim would reduce the funds available to administrative and other Creditors, and in the worst of circumstances, render the Debtors unable to pay Holders of Administrative Claims, Priority Tax Claims, Non-Tax Priority Claims and General Unsecured Claims. See Section IX.C above.

B. Treatment of Transfers to and Distributions by the Liquidating Trust

Upon the Effective Date, any and all remaining assets of the Debtors and their Estates, including (a) all Unencumbered Assets and (b) all Cash, shall be transferred to, and vest in, the Liquidating Trust, as set forth in the Liquidating Trust Agreement. All such assets shall constitute the "Trust Estate".

For all U.S. federal income tax purposes, all parties must treat the transfer of such assets to the Liquidating Trust as (i) a transfer of such assets to the beneficiaries of the Liquidating Trust followed by (ii) a transfer of such assets by such beneficiaries to the Liquidating Trust, with the beneficiaries being treated as the grantors and owners of the Liquidating Trust. Each Claimholder that is a beneficiary of the Liquidating Trust will generally recognize gain (or loss) in its taxable year that includes the Effective Date in an amount equal to the difference between the amount realized in respect of its Claim and its adjusted tax basis in such Claim. The amount realized for this purpose should generally equal the amount of cash and the fair market value of any other assets received or deemed received for U.S. federal income tax purposes under the Plan in respect of such Claimholder's Claim. A Claimholder that receives or is deemed to receive for U.S. federal income tax purposes a non-cash asset under the Plan in respect of its

Claim should generally have a tax basis in such asset in an amount equal to the fair market value of such asset on the date of receipt.

A grantor trust is treated as a pass-through entity for U.S. federal income tax purposes. Accordingly, in general, no tax should be imposed on the transfer (or deemed transfer) of assets by a Claimholder to the Liquidating Trust. In addition, no tax should be imposed on the Liquidating Trust on the receipt (or deemed receipt) of such assets or on income earned or gain recognized by the Liquidating Trust with respect to those assets. Instead, the beneficiaries of the Liquidating Trust may be taxed on their respective allocable shares of such net income or gain in each taxable year of the Liquidating Trust, and will be responsible for paying the taxes associated with such income or gain whether or not they received any distributions from the Liquidating Trust in such taxable year.

There can be no assurance that the IRS will agree with the classification of the Liquidating Trust, or any reserves within the Liquidating Trust, as a grantor trust or part of a grantor trust. A different classification could result in a different income tax treatment of the Liquidating Trust or a reserve within the Liquidating Trust. Such treatment could include, but is not limited to, the imposition of an entity-level tax on either the Liquidating Trust or a reserve within the Liquidating Trust.

C. Treatment of Claimholders that Participated in the Sales

Claimholders that exchanged Claims against the Debtors for certain assets in the Interiors Sale and Exteriors Sale, as described above in Parts I.1.a and I.1.b, respectively (the "Exchanging Claimholders"), will recognize, with respect to those surrendered Claims, gain or loss equal to the difference, if any, between (i) the fair market value of the assets received and (ii) the Exchanging Claimholders' adjusted tax basis in the Claims surrendered in exchange for those assets. Subject to the treatment of a portion of any gain as ordinary income to the extent of accrued interest or market discount accrued on the surrendered Claims, such gain or loss will generally be capital gain or loss, and such capital gain or loss will generally be long-term capital gain or loss if the Exchanging Claimholder held the Claim for more than one year on the date of the exchange. The deductibility of any capital loss is subject to limitations under the Tax Code. Exchanging Claimholders should generally have tax bases in such assets equal to the fair market value of such assets on the date of the Sale. Although the Debtors and the Exchanging Claimholders have agreed on the fair market value of such assets on the date of the relevant Sale and the manner in which the aggregate Sale proceeds are allocated among the assets purchased in such Sale, it is possible that the IRS could successfully challenge this valuation and allocation, which could lead to adverse results for the affected Claimholder (and, as discussed above, the Debtors). Exchanging Claimholders should consult their tax advisors for information that may be relevant to their particular situation and circumstances, and the particular tax consequences to them of the transactions contemplated by the Plan.

D. Allocation of Plan Distributions between Principal and Interest

The Plan provides that, to the extent that any Claim entitled to a distribution under the Plan (other than Claims that were surrendered in exchange for assets pursuant to a Sale) is composed of indebtedness and accrued but unpaid interest on such indebtedness, such

distribution will, to the extent permitted by applicable law, be allocated for U.S. federal income tax purposes first to the principal amount of the Claim and second, to the extent the distribution exceeds the principal amount of the Claim, to the portion of the Claim representing accrued but unpaid interest. A Claimholder generally recognizes a deductible loss to the extent that any accrued interest claimed or amortized original issue discount ("OID") was previously included in income and is not paid in full. Current U.S. federal income tax law is unclear on this point, and no assurance can be given that the IRS will not challenge the Debtors' position. If, contrary to the intended position, such a distribution were treated as allocated first to accrued but unpaid interest, a Claimholder would realize ordinary income with respect to such distribution in an amount equal to the accrued but unpaid interest not already taken into income under the Claimholder's method of accounting, regardless of whether the Claimholder would otherwise realize a loss as a result of the Plan. A Claimholder should also recognize ordinary income on the exchange (but not in excess of the amount of gain recognized, as described above) to the extent a distribution is received in exchange for market discount not previously taken into account under the Claimholder's method of accounting.

E. Information Reporting and Backup Withholding

Certain payments, including the payments with respect to Claims pursuant to the Plan, may be subject to information reporting to the IRS. Moreover, under certain circumstances, Claimholders may be subject to "backup withholding" with respect to payments made pursuant to the Plan, unless such Claimholder either (i) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates this fact, or (ii) provides a correct United States taxpayer identification number and certifies under penalty of perjury that the Claimholder is a United States person, the taxpayer identification number is correct and the taxpayer is not subject to backup withholding because of a failure to report all dividend and interest income.

Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules may be credited against a Claimholder's U.S. federal income tax liability, and a Claimholder may obtain a refund of any excess amounts withheld under the backup withholding rules by filing an appropriate claim for refund with the IRS (generally, a U.S. federal income tax return).

In addition, Treasury regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer claiming a loss in excess of specified thresholds. Each Claimholder is strongly urged to consult its tax advisor regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the Claimholders' tax returns.

F. Importance of Obtaining Professional Tax Assistance

THE FOREGOING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN TAX CONSEQUENCES OF THE PLAN AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE ABOVE DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX

CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A CLAIMHOLDER'S PARTICULAR CIRCUMSTANCES. ACCORDINGLY, CLAIMHOLDERS ARE URGED TO CONSULT THEIR TAX ADVISORS ABOUT THE FEDERAL, STATE AND LOCAL, AND APPLICABLE FOREIGN INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN.

XI. FEASIBILITY OF THE PLAN AND BEST INTERESTS OF CREDITORS

A. Feasibility of the Plan

The Debtors believe that the Cash on hand and the proceeds from the Sales, Sale-Related Agreements, the liquidation of the Unencumbered Assets and the proceeds of Causes of Action will be sufficient to pay all Administrative and Priority Claims that become Allowed, based upon the Debtors' estimates. Accordingly, the Debtors believe that the Plan is feasible.

B. Acceptance of the Plan

As a condition to confirmation of any plan, the Bankruptcy Code requires that each Class of Impaired Claims vote to accept that Plan, except under certain circumstances.

Bankruptcy Code Section 1126(c) defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds (2/3) in dollar amount and more than one-half (½) in number of claims in that class, but for that purpose counts only those who actually vote to accept or to reject a Plan. Thus, Impaired Classes under the Plan will have voted to accept such Plan only if two-thirds (2/3) in amount and a majority in number actually voting in each Class cast their Ballots in favor of acceptance. Holders of Claims who fail to vote for the Plan are not counted as either accepting or rejecting that Plan.

C. Best Interests Test

As noted above, even if the Plan is accepted by the Holders of each class of claims and interests, the Bankruptcy Code requires a bankruptcy court to determine that such Plan is in the best interests of all Holders of claims or interests that are impaired by that Plan and that have not accepted that Plan. The "best interests" test, as set forth in Bankruptcy Code section 1129(a)(7), requires a bankruptcy court to find either that all members of an impaired class of claims or interests have accepted the plan or that the plan will provide a member who has not accepted the plan with a recovery of property of a value, as of the effective date of the plan, that is not less than the amount that such holder would recover if the debtor were liquidated under Chapter 7 of the Bankruptcy Code.

To calculate the probable distribution to holders of each impaired class of claims and interests if the Debtors were liquidated under Chapter 7, a bankruptcy court must first determine the aggregate dollar amount that would be generated from a debtor's assets if its Chapter 11 cases were converted to Chapter 7 cases under the Bankruptcy Code. Because the Plan is a liquidating plan, the "liquidation value" in the hypothetical Chapter 7 liquidation analysis for purposes of the "best interests" test is substantially similar to the estimates of the results of the Chapter 11 liquidation contemplated by the Plan. However, the Debtors believe that in a Chapter 7 liquidation, there would be additional costs and expenses that the Estates would incur as a result

of the ineffectiveness associated with replacing existing management and professionals in a Chapter 7 case.

Costs of liquidation under Chapter 7 of the Bankruptcy Code would include the compensation of a trustee, as well as compensation of counsel and other professionals retained by the trustee, asset disposition expenses, all unpaid expenses incurred by the debtor in its Chapter 11 cases (such as compensation of attorneys, financial advisors and accountants) that are allowed in the Chapter 7 cases, litigation costs, and claims arising from the operations of the debtor during the pendency of the Chapter 11 cases.

D. Liquidation Analysis

As shown in the Liquidation Analysis annexed hereto as Appendix C (the "Liquidation Analysis") and discussed in further detail below, the Plan Proponents believe that each Class of Impaired Claims will receive no less under the Plan than it would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. The majority of the Debtors' assets have already been liquidated pursuant to the Sales. Therefore, the Debtors' Estates consist of the remaining proceeds from the Sales, the funds provided by the Sale-Related Settlements and the Final DIP Order, the Unencumbered Assets and the Causes of Action. Although the Plan's proposed liquidation and a chapter 7 liquidation would have the same goal of liquidating the remainder of the Debtors' Estates and distributing all of the proceeds to creditors, the Plan Proponents believe that the Plan provides a more efficient vehicle to reach that goal. Liquidating the Debtors' Estates pursuant to chapter 7 would require the appointment of a chapter 7 trustee. The appointment of the chapter 7 trustee, as well as any professionals retained by the chapter 7 trustee, would increase the operating costs associated with the liquidation of the Debtors' Estates. The Plan Proponents also believe that distributions would occur in a shorter time pursuant to the Plan than if the Debtors' Estates were liquidated pursuant to a chapter 7 liquidation, due largely to the additional time necessary to convert the Chapter 11 Cases to cases under chapter 7, thus delaying the initial distribution to Creditors. In addition, the Debtors' remaining assets would suffer erosion in value in a chapter 7 case in the context of a "forced sale" atmosphere that would prevail.

The Plan Proponents' belief is also based upon the Liquidation Analysis. The Liquidation Analysis does not reflect the likely delay in distributions to Creditors in a liquidation scenario, which, if considered, would only further reduce the present value of any liquidation proceeds. The Plan Proponents believe that any liquidation analysis is speculative because such an analysis is necessarily premised upon assumptions and estimates that are inherently subject to significant uncertainties and contingencies, man of which would be beyond the control of the Plan Proponents. Thus, there can be no assurance as to values that would actually be realized in a chapter 7 liquidation, nor can there be any assurance that a bankruptcy court would accept the Plan Proponents' conclusions or concur with such assumptions in making its determinations under section 1129(a)(7) of the Bankruptcy Code. Further, the Liquidation Analysis necessarily contains an estimate of the amount of Claims that will ultimately become Allowed Claims. This estimate is based solely upon the Plan Proponents' review of the Debtors' books and records and of the additional Claims that have been or might be filed in the Chapter 11 Cases or that would arise in the event of a conversion of the cases from chapter 11 to chapter 7. No order or finding has been entered by the Court estimating or otherwise fixing the amount of Claims at the

projected analysis of Allowed Claims set forth in the Liquidation Analysis. In preparing the Liquidation Analysis, the Plan Proponents have projected an amount of Allowed Claims that is at the lower end of a range of reasonableness such that, for purposes of the Liquidation Analysis, the largest possible liquidation dividend to Holders of Allowed Claims can be assessed. The estimate of the amount of Allowed Claims set forth in the Liquidation Analysis should not be relied upon for any other purpose, including (without limitation) any determination of the value of any distribution to be made on account of Allowed Claims under the Plan. The annexed Liquidation Analysis is provided solely to disclose to Holders the effects of a hypothetical chapter 7 liquidation on the Debtors, subject to the assumptions set forth therein, and demonstrates that , in a chapter 7 liquidation, unsecured creditors would receive a distribution, if any, of a value less than such creditors would receive pursuant to the terms of the Plan. To the extent that confirmation of the Plan requires the establishment of amounts for the chapter 7 liquidation value of the Debtors, fund available to pay Claims and the reorganization value of the Debtors, the Court will determine those amounts at the Confirmation Hearing.

E. Application of the "Best Interests" of Creditors Test to the Liquidation Analysis and the Plan

Notwithstanding the difficulty in quantifying recoveries to Holders of Allowed Claims with precision, the Debtors believe that taking into account the Liquidation Analysis, the Plan meets the "best interests" test of section 1129(a)(7) of the Bankruptcy Code. Specifically, after considering the effects that a chapter 7 liquidation would have on the ultimate proceeds available to Creditors in the Chapter 11 Cases, the Plan Proponents have determined that a chapter 7 liquidation would result in a substantial diminution in the value to be realized by the Holders of certain Claims and a delay in making distributions to all Classes of Claims entitled to a distribution. The Plan Proponents believe that Holders of Class 7 General Unsecured Claims would receive less in a chapter 7 liquidation than under the Plan. Therefore, the Plan Proponents believe that the Plan satisfies the requirements of section 1129(a)(7) of the Bankruptcy Code.

F. Confirmation Without Acceptance of All Impaired Classes: The "Cramdown" Alternative

Under the Plan, Classes 8, 9, 10 and 11 are deemed to have rejected the Plan. In view of the deemed rejection by such holders, the Debtors will seek confirmation of the Plan pursuant to the "cramdown" provisions of the Bankruptcy Code. Specifically, Bankruptcy Code section 1129(b) provides that a plan can be confirmed even if the plan is not accepted by all impaired classes, as long as at least one impaired class of claims has accepted it. The Bankruptcy Court may confirm a plan at the request of the Debtors if the Plan "does not discriminate unfairly" and is "fair and equitable" as to each impaired class that has not accepted the plan. A plan does not discriminate unfairly within the meaning of the Bankruptcy Code if a dissenting class is treated equally with respect to other classes of equal rank.

A plan is fair and equitable as to a class of claims which rejects a plan if the plan provides (a) for each holder of a claim included in the rejecting class to receive or retain on account of that claim property that has a value, as of the effective date of the plan, equal to the allowed amount of such claim; or (b) that the holder of any claim or interest that is junior to the

claims of such class will not receive or retain on account of such junior claim or interest any property at all.

A plan is fair and equitable as to a class of equity interests that rejects a plan if the plan provides (a) that each holder of an interest included in the rejecting class receive or retain on account of that interest property that has a value, as of the effective date of the plan, equal to the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled, or the value of such interest; or (b) that the holder of any interest that is junior to the interests of such class will not receive or retain under the plan on account of such junior interest any property at all.

XII. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Debtors believe that the Plan affords Holders of Claims the potential for a better realization on the Debtors' assets than a Chapter 7 liquidation, and, therefore, is in the best interests of such Holders. As noted above, however, if the requisite acceptances of voting classes of Claims are not received, and/or no Plan is confirmed and consummated, the theoretical alternatives include: (a) formulation of an alternative plan or plans of liquidation, (b) liquidation of the Debtors under Chapter 7 of the Bankruptcy Code or (c) dismissal of the Chapter 11 Cases.

A. Alternative Plan(s) of Liquidation

If the requisite acceptances are not received or if the Plan is not confirmed, the Debtors or any other party in interest could attempt to formulate and propose a different plan or plans of liquidation.

With respect to an alternative liquidation plan, the Debtors have explored various other alternatives in connection with the extensive negotiation process involved in the formulation and development of the Plan. The Debtors believe that the Plan enables creditors to realize the greatest possible value under the circumstances, and, that as compared to any alternative plan of liquidation, to the extent that any such alternative plan could be prepared in light of the Sale Orders and the Sale-Related Settlements, to the extent that such Sale Orders and Sale-Related Settlements are ultimately approved by the Bankruptcy Court, the Plan has the greatest chance to be confirmed and consummated.

B. Liquidation under Chapter 7

If no Plan is confirmed, the Chapter 11 Cases may be converted to cases under Chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be elected or appointed to complete the liquidation of the Debtors' assets for distribution to Creditors in accordance with the priorities established by the Bankruptcy Code. It is impossible to predict precisely how the proceeds of the liquidation would be distributed to the respective Holders of Claims against or Interests in the Debtors.

The Debtors believe that in a liquidation under Chapter 7, additional administrative expenses involved in the appointment of a trustee or trustees and attorneys, accountants and other professionals to assist such trustees would cause a diminution in the value of the Debtors'

Estates. The assets available for distribution to creditors would be reduced by such additional expenses and by Claims, some of which would be entitled to priority. In such a case, the proceeds of the liquidation would be distributed by the Chapter 7 trustee in accordance with Chapter 7. The Debtors believe that such a result would reduce distributions to all Holders of General Unsecured Claims compared to those under the Plan, because of additional administrative expenses for the Chapter 7 trustee and professionals retained by it.

C. Dismissal of the Chapter 11 Cases

If no Plan is confirmed, the Debtors or other parties in interest may seek dismissal of the Chapter 11 Cases pursuant to Bankruptcy Code section 1112. Without limitation, dismissal of the Chapter 11 Cases would terminate the automatic stay and might allow certain creditors to foreclose on their Liens on substantially all of the Debtors' remaining assets. Accordingly, the Debtors believe that dismissal of the Chapter 11 Cases would reduce the value of the Debtors' remaining assets, would lower the return to creditors and would likely eliminate any return to Holders of Claims.

XIII. THE SOLICITATION AND VOTING PROCEDURE

A. Parties in Interest Entitled to Vote

Under Bankruptcy Code section 1124, a class of claims or interests is deemed to be "impaired" under a plan unless (i) the plan leaves unaltered the legal, equitable, and contractual rights to which such claim or interest entitles the holder thereof or (ii) notwithstanding any legal right to an accelerated payment of such claim or interest, the plan cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy) and reinstates the maturity of such claim or interest as it existed before the default.

In general, a holder of a claim or interest may vote to accept or to reject a plan if (i) the claim or interest is "allowed," which means generally that no party in interest has objected to such claim or interest, and (ii) the claim or interest is impaired by the plan. If, however, the holder of an impaired claim or interest will not receive or retain any distribution under the plan on account of such claim or interest, the Bankruptcy Code deems such holder to have rejected the plan, and, accordingly, holders of such claims and interests do not actually vote on the plan. If a claim or interest is not impaired by the plan, the Bankruptcy Code deems the holder of such claim or interest to have accepted the plan and, accordingly, holders of such claims and interests are not entitled to vote on the plan.

B. Classes Impaired under the Plan

Holders of Claims in Classes 1, 2, 5 and 7 are entitled to vote to accept or reject such Plan. By operation of law, each Unimpaired Class of Claims is deemed to have accepted the Plan and, therefore, is not entitled to vote to accept or reject that Plan. By operation of law, Classes 8, 9, 10 and 11 are deemed to have rejected the Plan and therefore are not entitled to vote to accept or reject such Plan.

C. Waivers of Defects, Irregularities, Etc.

Unless otherwise directed by the Bankruptcy Court, all questions as to the validity, form, eligibility (including time of receipt), acceptance, and revocation or withdrawal of Ballots will be determined by the Voting Agent and the Debtors, in their sole discretion, which determination will be final and binding. As indicated below under "Withdrawal of Ballots; Revocation," effective withdrawals of Ballots must be delivered to the Voting Agent prior to the Voting Deadline. The Debtors reserve the absolute right to contest the validity of any such withdrawal. The Debtors also reserve the right to seek to reject any and all Ballots not in proper form, the acceptance of which would, in the opinion of the Debtors or their counsel, be unlawful. The Debtors further reserve the right to waive any defects or irregularities or conditions of delivery as to any particular Ballot. The interpretation (including the Ballot and the respective instructions thereto) by the Debtors, unless otherwise directed by the Bankruptcy Court, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with deliveries of Ballots must be cured within such time as the Debtors (or the Bankruptcy Court) determine. Neither the Debtors nor any other person will be under any duty to provide notification of defects or irregularities with respect to deliveries of Ballots nor will any of them incur any liabilities for failure to provide such notification. Unless otherwise directed by the Bankruptcy Court, delivery of such Ballots will not be deemed to have been made until such irregularities have been cured or waived. Ballots previously furnished (and as to which any irregularities have not theretofore been cured or waived) will be invalidated.

D. Withdrawal of Ballots; Revocation

Any party who has delivered a valid Ballot for the acceptance or rejection of the Plan may withdraw such acceptance or rejection by delivering a written notice of withdrawal to the Voting Agent at any time prior to the Voting Deadline. A notice of withdrawal, to be valid, must (i) contain the description of the Claim(s) to which it relates and the aggregate principal amount represented by such Claim(s), (ii) be signed by the withdrawing party in the same manner as the Ballot being withdrawn, (iii) contain a certification that the withdrawing party owns the Claim(s) and possesses the right to withdraw the vote sought to be withdrawn and (iv) be received by the Voting Agent in a timely manner at the address set forth below. The Debtors intend to consult with the Voting Agent to determine whether any withdrawals of Ballots were received and whether the Requisite Acceptances of the Plan have been received. As stated above, the Debtors expressly reserve the absolute right to contest the validity of any such withdrawals of Ballots.

Unless otherwise directed by the Bankruptcy Court, a purported notice of withdrawal of Ballots which is not received in a timely manner by the Voting Agent will not be effective to withdraw a previously cast Ballot.

Any party who has previously submitted to the Voting Agent prior to the Voting Deadline a properly completed Ballot may revoke such Ballot and change his or its vote by submitting to the Voting Agent prior to the Voting Deadline a subsequent properly completed Ballot for acceptance or rejection of the Plan. In the case where more than one timely, properly completed Ballot is received, only the Ballot which bears the latest date will be counted for purposes of determining whether the Requisite Acceptances have been received.

E. Further Information; Additional Copies

If you have any questions or require further information about the voting procedure for voting your Claim or about the packet of material you received, or if you wish to obtain an additional copy of the Plan, the Disclosure Statement, or any exhibits or appendices to such documents (at your own expense, unless otherwise specifically required by Bankruptcy Rule 3017(d)), please contact the Voting Agent:

Plastech Engineered Products, Inc., et al.
c/o Donlin, Recano & Company, Inc., as Agent for the United States Bankruptcy Court
P.O. Box 899, Madison Square Station
New York, NY 10010

Or (by Hand-Delivery or Overnight Courier)

Donlin, Recano & Company, Inc.
as Agent for the United States Bankruptcy Court
Re: Plastech Engineered Products, Inc., et al., Claims Processing
419 Park Avenue South, Suite 1206
New York, NY 10016

Telephone: (212) 771-1128

F. Internet Access to Bankruptcy Court Documents

Bankruptcy Court documents filed in these Chapter 11 Cases as well as the Bankruptcy Court's calendar and other administrative matters may be found, downloaded and printed from the Bankruptcy Court's website found at http://www.mieb.uscourts.gov, as well as at the website maintained by the Voting Agent at http://www.donlinrecano.com.

XIV. RECOMMENDATION AND CONCLUSION

For all of the reasons set forth in this Disclosure Statement, the Debtors believe that confirmation and consummation of the Plan is preferable to all other alternatives. Consequently, the Debtors and the Creditors' Committee urge all Holders of Claims in Classes 1, 2, 5 and 7 to vote to ACCEPT the Plan, and to complete and return their ballots so that they will be RECEIVED by the Voting Agent on or before 4:00 p.m. (prevailing Eastern Time) on _____, 2008.

Dated: August 11, 2008

Respectfully submitted,

PLASTECH ENGINEERED PRODUCTS, INC.
(For itself and on behalf of its Subsidiary Debtors)

By: /s/ Peter Smidt
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Chief Financial Officer
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