IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
UCI INTERNATIONAL, LLC, et al.[1]	Case No. 16-11354 (MFW)
Debtors.	(Jointly Administered)

DISCLOSURE STATEMENT FOR THE JOINT PLAN OF REORGANIZATION OF UCI INTERNATIONAL, LLC AND ITS DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

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Dated: August 26, 2016

THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THE DEBTORS ARE SUBMITTING THIS DISCLOSURE STATEMENT FOR APPROVAL, BUT THE BANKRUPTCY COURT HAS NOT YET APPROVED THIS DISCLOSURE STATEMENT. THE INFORMATION IN THIS DISCLOSURE STATEMENT IS SUBJECT TO CHANGE.

[1] The Debtors in these chapter 11 cases, together with the last four digits of each Debtor's federal tax identification number, are as follows: UCI International, LLC (0186); Airtex Industries, LLC (0830); Airtex Products, LP (0933); ASC Holdco, Inc. (9758); ASC Industries, Inc. (7793); Champion Laboratories, Inc. (5645); UCI Acquisition Holdings (No. 1) Corp (5732); UCI Acquisition Holdings (No. 3) Corp (8277); UCI Acquisition Holdings (No. 4) LLC (8447); UCI-Airtex Holdings, Inc. (5425); UCI Holdings Limited (N/A); UCI Pennsylvania, Inc. (1527); and United Components, LLC (9857). The mailing address for each Debtor is 1900 West Field Court, Lake Forest, Illinois 60045.

IMPORTANT INFORMATION ABOUT THIS DISCLOSURE STATEMENT

THE DEADLINE TO VOTE ON THE PLAN IS [___], 2016 AT [__]:00 P.M. EASTERN TIME (THE "VOTING DEADLINE").

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

THE DATE BY WHICH OBJECTIONS TO CONFIRMATION MUST BE FILED AND SERVED IS [_____], 2016 AT [___]:00 P.M. EASTERN TIME.

THE HEARING ON CONFIRMATION OF THE PLAN IS SCHEDULED AT [___], 2016 AT [___ --.M.] EASTERN TIME.

UCI Acquisition Holdings (No. 1) Corp. ("UCI"), UCI International, LLC ("UCI International"), and those Affiliates of UCI listed in footnote 1 hereto, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), are providing you with the information in this Disclosure Statement because you may be a creditor entitled to vote on the Joint Plan of Reorganization of UCI International, LLC and its Debtor Affiliates (as may be amended from time to time, the "Plan").[2]

The Debtors believe that the Plan is in the best interests of creditors and other stakeholders. All creditors entitled to vote thereon are urged to vote in favor of the Plan. A summary of the voting instructions is set forth in Section I.F. of this Disclosure Statement and in the Disclosure Statement Order (as defined below). More detailed instructions are contained on the Ballots distributed to the creditors entitled to vote on the Plan. To be counted, your ballot must be properly completed in accordance with the voting instructions on the ballot and **actually received** by the Voting Agent, via regular mail, overnight courier, or personal delivery at the appropriate address, by the Voting Deadline.

The effectiveness of the Plan is subject to material conditions precedent. See Section K.1. below and Section 9.1 of the Plan. There is no assurance that the Plan will be confirmed, or if confirmed, that the conditions required to be satisfied for the Plan to go effective will be satisfied (or waived**)**.

This Disclosure Statement, the Plan Supplement, and any attachments, exhibits, supplements and annexes hereto are the only documents to be used in connection with the solicitation of votes on the Plan. The Debtors have not authorized any person to give any information or to make any representation in connection with the Plan or the solicitation of acceptances of the Plan other than as contained in this Disclosure Statement, the Plan Supplement, and any attachments, exhibits, supplements and annexes attached hereto or incorporated by reference or referred to herein. If given or made, such information or

[2] Except as otherwise set forth herein, capitalized terms used in this Disclosure Statement but not defined herein have the meanings ascribed to them in the Plan.

representation may not be relied upon as having been authorized by the Debtors. The delivery of this Disclosure Statement will not under any circumstances imply that the information herein is correct as of any time after the date hereof.

ALL CREDITORS ENTITLED TO VOTE ON THE PLAN ARE ENCOURAGED TO READ AND CAREFULLY CONSIDER THIS ENTIRE DISCLOSURE STATEMENT, INCLUDING THE PLAN ATTACHED AS EXHIBIT A, ANY PLAN SUPPLEMENTS, AND THE RISK FACTORS DESCRIBED IN ARTICLE IX BELOW, BEFORE SUBMITTING BALLOTS IN RESPONSE TO THIS SOLICITATION.

THE DEBTORS URGE EACH HOLDER OF A CLAIM TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX, OR BUSINESS ADVICE IN REVIEWING THIS DISCLOSURE STATEMENT, THE PLAN, AND THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHERMORE, THE COURT'S APPROVAL OF THE ADEQUACY OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE COURT'S APPROVAL OF THE PLAN.

ARTICLE X OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, WHICH ARE DISCUSSED IN SECTION V.L. OF THIS DISCLOSURE STATEMENT. YOU SHOULD REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE IT MAY AFFECT YOUR RIGHTS.

The summaries of the Plan and other documents contained in this Disclosure Statement are qualified in their entirety by reference to the Plan itself, the exhibits thereto, and documents described therein as filed prior to approval of this Disclosure Statement or subsequently as part of the Plan Supplement. In the event that any inconsistency or conflict exists between this Disclosure Statement and the Plan, the terms of the Plan will control.

This Disclosure Statement contains, among other things, descriptions and summaries of provisions of the Plan. The Debtors reserve the right to modify the Plan consistent with section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019.

The statements contained in this Disclosure Statement are made only as of the date of this Disclosure Statement, and there can be no assurance that the statements contained herein will be correct at any time after this date. Although the Debtors may subsequently update the information in this Disclosure Statement, the Debtors have no affirmative duty to do so, except as otherwise provided in the Plan or in accordance with applicable law. The information contained in this Disclosure Statement, including the information regarding the history, businesses and operations of the Debtors, the financial information regarding the Debtors and the liquidation analyses relating to the Debtors, is included for purposes of soliciting acceptances of the Plan, but, as to contested matters and adversary proceedings, is not to be construed as an admission or stipulation, but rather as a statement made in settlement negotiations as part of the Debtors' attempt to settle and resolve claims and controversies pursuant to the Plan. This Disclosure Statement will not be admissible in any non-bankruptcy proceeding, nor will 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 Interests in, either the Debtors or the Reorganized Debtors. The Debtors do not represent or warrant that the information contained herein or attached hereto is without any material inaccuracy or omission. Except where specifically noted, the financial information contained in this Disclosure Statement and in its exhibits has not been audited by a certified public accountant and has not been prepared in accordance with generally accepted accounting principles in the United States.

The Debtors reserve the right to file an amended or modified Plan and related Disclosure Statement from time to time, subject to the terms of the Plan.

If the Plan is confirmed by the Court and the Effective Date occurs, all Holders of Claims and Interests (including those Holders of Claims and Interests who do not submit ballots to accept or reject the Plan, who vote to reject the Plan, or who are not entitled to vote on the Plan) will be bound by the terms of the Plan.

Upon confirmation of the Plan, certain of the securities described in this Disclosure Statement will be issued without registration under the Securities Act of 1933, 15 U.S.C. §§ 77A-77AA, together with the rules and regulations promulgated thereunder (the "Securities Act"), or similar federal, state, local, or foreign laws, in reliance on the exemption set forth in Section 1145 of the Bankruptcy Code. In addition, other securities may be issued pursuant to other applicable exemptions under the federal securities laws. To the extent exemptions from registration under Section 1145 of the Bankruptcy Code or applicable federal securities law do not apply, the securities may not be offered or sold except pursuant to a valid exemption or upon registration under the Securities Act.

FORWARD-LOOKING STATEMENTS

A. SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

CERTAIN OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS BY ITS NATURE FORWARD LOOKING AND CONTAINS ESTIMATES, ASSUMPTIONS AND PROJECTIONS THAT MAY BE MATERIALLY DIFFERENT FROM ACTUAL FUTURE RESULTS. THE WORDS "BELIEVE," "MAY," "WILL," "ESTIMATE," "CONTINUE," "ANTICIPATE," "INTEND," "EXPECT" AND SIMILAR EXPRESSIONS IDENTIFY THESE FORWARD-LOOKING STATEMENTS. THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO A NUMBER OF RISKS, UNCERTAINTIES AND ASSUMPTIONS, INCLUDING THOSE DESCRIBED IN ARTICLE IX, "RISK FACTORS." IN LIGHT OF THESE RISKS AND UNCERTAINTIES, THE FORWARD-LOOKING EVENTS AND CIRCUMSTANCES DISCUSSED IN THIS DISCLOSURE STATEMENT MAY NOT OCCUR, AND ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE ANTICIPATED IN THE FORWARD-LOOKING STATEMENTS. NONE OF THE DEBTORS OR REORGANIZED DEBTORS UNDERTAKES ANY OBLIGATION TO UPDATE PUBLICLY OR REVISE ANY FORWARD LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

THE DEBTORS' MANAGEMENT, IN CONSULTATION WITH THE DEBTORS' FINANCIAL ADVISORS, PREPARED THE PROJECTIONS PROVIDED IN THIS DISCLOSURE STATEMENT. WHILE THE DEBTORS HAVE PRESENTED THESE PROJECTIONS WITH NUMERICAL SPECIFICITY, THEY HAVE NECESSARILY BASED THE PROJECTIONS ON A VARIETY OF ESTIMATES AND ASSUMPTIONS THAT, THOUGH CONSIDERED REASONABLE BY MANAGEMENT, MAY NOT BE REALIZED, AND ARE INHERENTLY SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC, COMPETITIVE, INDUSTRY, REGULATORY, MARKET AND FINANCIAL UNCERTAINTIES AND CONTINGENCIES, MANY OF WHICH WILL BE BEYOND THE DEBTORS' OR REORGANIZED DEBTORS' CONTROL. THE DEBTORS CAUTION THAT THEY CANNOT MAKE ANY REPRESENTATIONS AS TO THE ACCURACY OF THESE PROJECTIONS OR TO THE DEBTORS' OR REORGANIZED DEBTORS' ABILITY TO ACHIEVE THE PROJECTED RESULTS. SOME ASSUMPTIONS INEVITABLY WILL NOT MATERIALIZE. FURTHERMORE, EVENTS AND CIRCUMSTANCES OCCURRING SUBSEQUENT TO THE DATE ON WHICH THESE PROJECTIONS WERE PREPARED MAY DIFFER FROM ANY ASSUMED FACTS AND CIRCUMSTANCES. ALTERNATIVELY, ANY EVENTS AND CIRCUMSTANCES THAT COME TO PASS MAY WELL HAVE BEEN UNANTICIPATED, AND THUS MAY AFFECT FINANCIAL RESULTS IN A MATERIALLY ADVERSE OR MATERIALLY BENEFICIAL MANNER. THE PROJECTIONS, THEREFORE, MAY NOT BE RELIED UPON AS A GUARANTY OR OTHER ASSURANCE OF THE ACTUAL RESULTS THAT WILL OCCUR.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016 AND NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER NON-BANKRUPTCY LAWS. THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), ANY STATE SECURITIES COMMISSION OR ANY SECURITIES EXCHANGE OR ASSOCIATION NOR HAS THE SEC, ANY STATE SECURITIES COMMISSION OR ANY SECURITIES EXCHANGE OR ASSOCIATION PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN.

QUESTIONS AND ADDITIONAL INFORMATION

If you would like to obtain copies of this Disclosure Statement, the Plan, the Plan Supplement, or any of the documents attached hereto or referenced herein, or have questions about the solicitation and voting process or the Debtors' Chapter 11 Cases generally, please contact Garden City Group, LLC, by (i) visiting the Debtors' document website at *cases.gcginc.com/uci*, (ii) calling (855) 907-3238, or (iii) sending e-mail correspondence to *UCIInfo@gardencitygroup.com*.

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I. INTRODUCTION

A. GENERAL BACKGROUND

UCI, UCI International, and their affiliated Debtors, submit this Disclosure Statement pursuant to section 1125 of Title 11 of the United States Code (the "Bankruptcy Code") in connection with the solicitation of acceptances of the Plan. A copy of the Plan is attached hereto as **Exhibit A**. **Please note that to the extent any inconsistencies exist between this Disclosure Statement and the Plan, the Plan governs.**

The Plan provides for the reorganization of the Debtors under chapter 11 of the Bankruptcy Code. If the Plan is confirmed and consummated, the Debtors, as Reorganized Debtors, will emerge from bankruptcy with a substantially deleveraged capital structure.

Under the Plan, (1) all existing equity interests in UCI Holdings will be extinguished and cancelled, (2) the Holders of Prepetition ABL Credit Facility Claims will have their claims restructured at the Debtors' sole discretion (subject to the Rank Contribution Election), (3) 95% of the New Common Stock of Reorganized UCI (with the remaining 5% reserved for the Management Equity Incentive Plan) and 100% of the Litigation Trust Units will be distributed to (a) the Holders of Senior Notes Claims in exchange for the cancellation of their prepetition indebtedness, (b) Holders of General Unsecured Claims; and (c) if there is a Rights Offering, parties participating in the Rights Offering (in the form of New Warrants); and (4) a Litigation Trust will be established.

The Plan also provides for the payment in full in Cash of Claims entitled to administrative expense or priority status under the Bankruptcy Code.

In addition, the Plan includes certain release, injunctive, and exculpatory provisions described in greater detail below.

The Debtors are proposing the Plan following extensive arm's length, good faith discussions with certain of their key stakeholders. The Debtors believe the Plan represents the best available option for all creditors and parties in interest. For all of the reasons described in this Disclosure Statement, the Debtors urge you to return your ballot accepting the plan by the Voting Deadline (i.e., the date by which your ballot must be actually received), which is [_____], 2016, at [_]:00 [_].m. (eastern standard time).

This Disclosure Statement sets forth certain information regarding the prepetition operating and financial history of the Debtors, the events leading up to the commencement of the Chapter 11 Cases, material events that have occurred during the Chapter 11 Cases, and the anticipated organization, operations, and capital structure of the Reorganized Debtors if the Plan is confirmed and becomes effective. This Disclosure Statement also describes terms and provisions of the Plan, including certain effects of confirmation of the Plan, certain risk factors (including those associated with securities to be issued under the Plan), the manner in which distributions will be made under the Plan, and certain alternatives to the Plan.

On [_____], 2016, the Bankruptcy Court entered an order approving this Disclosure Statement as containing "adequate information," *i.e.*, information of a kind and in sufficient detail to enable a hypothetical reasonable investor typical of the Holders of Claims or Interests to make an informed judgment about the Plan. **THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT CONSTITUTES NEITHER A GUARANTY OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN NOR AN ENDORSEMENT BY THE BANKRUPTCY COURT OF THE MERITS OF THE PLAN.**

EACH HOLDER OF A CLAIM ENTITLED TO VOTE ON THE PLAN SHOULD REVIEW THIS DISCLOSURE STATEMENT AND THE PLAN AND ALL EXHIBITS HERETO AND THERETO BEFORE CASTING A BALLOT. THIS DISCLOSURE STATEMENT CONTAINS A SUMMARY OF CERTAIN PROVISIONS OF THE PLAN AND CERTAIN OTHER DOCUMENTS AND FINANCIAL INFORMATION. THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE. AS OF THE DATE HEREOF AND PROVIDE ADEQUATE INFORMATION WITH RESPECT TO THE DOCUMENTS SUMMARIZED; HOWEVER, SUCH SUMMARIES ARE QUALIFIED TO THE EXTENT THAT THEY DO NOT SET FORTH THE ENTIRE TEXT OF THOSE DOCUMENTS AND AS OTHERWISE PROVIDED HEREIN.

B. GENERAL OVERVIEW OF THE PLAN

The Plan provides for the reorganization of the Debtors as a going concern and will significantly reduce long-term debt and annual interest payments, resulting in a stronger, de-levered balance sheet for the Debtors. Specifically, the Plan contemplates (i) a restructuring of the Debtors through a debt-for-equity conversion of the Debtors' outstanding Senior Unsecured Notes, (ii) the establishment of a Litigation Trust for the benefit of Holders of Senior Notes Claims and General Unsecured Claims that will be vested with all rights of the Debtors, their estates, and non-debtor wholly-owned or controlled subsidiaries to commence and pursue the Preserved Causes of Action, (iii) the New First Lien Exit Facility, and (iv) if necessary, at the Debtors' election, a Second Lien Rights Offering Facility or New Second Lien Exit Facility.

The following chart summarizes the projected distributions to Holders of Allowed Claims against and Interests in each of the Debtors under the Plan. Although every reasonable effort was made to be accurate, the projections of estimated recoveries are only an estimate. Any estimates of Claims or Interests in this Disclosure Statement may vary from the final amounts allowed by the Bankruptcy Court. As a result of the foregoing and other uncertainties which are inherent in the estimates, the estimated recoveries in this Disclosure Statement may vary from the actual recoveries received. In addition, the ability to receive distributions under the Plan depends upon the ability of the Debtors to obtain confirmation of the Plan and meet the conditions to confirmation and effectiveness of the Plan, as discussed in this Disclosure Statement. The recoveries set forth below are projected recoveries only and may change based upon changes in the amount of Allowed Claims as well as other factors related to the Debtors' business operations and general economic conditions. Reference should be made to the entire Disclosure Statement and the Plan for a complete description of the classification and treatment of Allowed Claims against and Interests in each of the Debtors.

Class	**Claim/Interest**	**Treatment**	**Estimated Allowed Amount**[3] (in millions)		**Estimated Recovery (%)**	
			With Rank Contribution	***Without Rank Contribution***	***With Rank Contribution***	***Without Rank Contribution***
N/A	Administrative Expense Claims	Unimpaired	$[_]	$[_]	100%	100%
N/A	Priority Tax Claims	Unimpaired	$[_]	$[_]	100%	100%
A	Priority Non-Tax Claims	Unimpaired	$[_]	$[_]	100%	100%
B	Other Secured Claims	Unimpaired	$[_]	$[_]	100%	100%
C	Prepetition ABL Credit Facility Claims	Impaired	$[_]	$[_]	[_]%	[_]%
D	Senior Notes Claims	Impaired	$[_]	$[_]	[_]%	[_]%
E	General Unsecured Claims	Impaired	$[_]	$[_]	[_]%	[_]%
F	Convenience Claims	Unimpaired	$[_]	$[_]	100%	100%
G	Intercompany Claims	Impaired	$[_]	$[_]	100%	100%
H	510(b) Claims	Impaired	$[_]	$[_]	0%	0%
I	Interests in UCI Holdings	Impaired	N/A	N/A	0%	0%
J	Interests in Subsidiary Debtors	Impaired	N/A	N/A	0%	0%

The key terms of the Plan are as set forth below.

1. *Senior Notes Claims*

Pursuant to the Plan, Holders of Senior Notes Claims will receive new common stock (the "New Common Stock") of Reorganized UCI, unless such Holder elects to receive Cash in lieu of New Common Stock. The issuance of the New Common Stock, including pursuant to the New Warrants issued in connection with the Rights Offering (each as defined below), and other equity awards reserved under the Management Equity Incentive Plan shall be authorized on the Effective Date without the need for any further action by the Holders of Claims or Interests.

2. *The Litigation Trust*

Pursuant to the Plan, if Rank does not make the Rank Contribution Election, Holders of Senior Notes Claims and General Unsecured Claims electing to receive New Common Stock under the Plan will also receive a pro rata share of units ("Litigation Trust Units") in a litigation trust (the "Litigation Trust") established under the Plan. Subject to the releases set forth in the Plan, all rights of the Debtors, their estates and non-debtor wholly-owned or controlled

[3] Figures with respect to the allowed amounts of the claims set forth in this chart are based upon the Debtors' best estimates of such claims as of the date of this Disclosure Statement.

subsidiaries to commence and pursue Preserved Causes of Action shall be vested in or otherwise transferred to the Litigation Trust.

3. *Treatment of General Unsecured Claims*

Each Holder of an Allowed General Unsecured Claim will have the option of receiving (a) its GUC Pro Rata Allocation of New Common Stock and its Litigation Pro Rata Allocation of Litigation Trust Units or (b) if such Holder's Allowed General Unsecured Claim is (1) equal to or less than $1,000,000, or (2) such Holder elects on its Ballot reduce such Holder's Allowed General Unsecured Claim to $1,000,000, a Cash payment equal to [●]% of the value of its GUC Pro Rata Allocation of New Common Stock. Holders of Allowed General Unsecured Claims that receive New Common Stock will also be entitled to participate in the Rights Offering.

4. *The Rank Contribution Election*

Pursuant to the Plan, Rank, on behalf of itself and each other member of the Rank Group, will have the option to elect to (a) enter into an Acceptable Settlement with the Debtors and the Creditors' Committee, including an agreed-upon exchange of Cash and non-Cash consideration, which shall be approved in conjunction with the Plan or, if Rank, the Debtors, and the Creditors' Committee otherwise mutually agree, subject to approval of the Bankruptcy Court under Bankruptcy Rule 9019, and (b) become the sponsor of the Pension Plans upon consummation of the Plan ((a) and (b) together, the "Rank Contribution Election").

If the Rank Contribution Election is made, among other things, (a) the Debtors will seek approval of the Acceptable Settlement as mutually agreed by the parties or otherwise pursuant to the Plan, (b) mutual releases between the Debtors, each member of the Rank Group and each of their respective Related Parties shall be granted under the Plan to the extent permitted by applicable law, which releases shall be (i) in addition to any releases contained in the Acceptable Settlement and (ii) set forth in Exhibit 5.6.2 to be filed with the Plan Supplement, (c) if not previously Allowed, Rank Finance's Prepetition ABL Credit Facility Claim shall be Allowed as of the Effective Date (and thus rendered Unimpaired), (d) the Debtors, the Reorganized Debtors, and their respective subsidiaries will be released from any liability on account of the Pension Plans or, in the absence of a release, Rank or another member of the Rank Group will indemnify the Reorganized Debtors and their subsidiaries for liability on account of the Pension Plans, and (e) the Litigation Trust will not be established under the Plan.

If the Rank Contribution Election is not made, (a) the Debtors or Reorganized Debtors, as applicable, shall seek to terminate the Pension Plans and any resulting termination liability shall be treated as a Class E General Unsecured Claim and (b) Claims against each member of the Rank Group and each of their Related Persons shall be contributed to the Litigation Trust.

5. *Treatment of Prepetition ABL Facility and New First Lien Exit Facility*

Each Prepetition ABL Credit Facility Claim shall be deemed Allowed upon the expiration of the Challenge Period (as defined in the Final Cash Collateral Order) unless there is a timely filed Challenge Proceeding (as defined in the Final Cash Collateral Order) brought in respect of such Prepetition ABL Credit Facility Claim in accordance with the terms and conditions set forth in Paragraph 16 of the Final Cash Collateral Order. If the Challenge Period

expires and there is no timely filed Challenge Proceeding, than the Prepetition ABL Credit Facility Claims will be deemed Allowed in the aggregate principal amount of $69,442,839.66 in respect of loans made and $5,803,837.00 in respect of undrawn letters of credit, plus any accrued but unpaid interest thereon.

If the Holder of an Prepetition ABL Credit Facility Claim votes to accept the Plan, such Prepetition ABL Credit Facility Claim shall be treated as follows:

a. If such Prepetition ABL Credit Facility Claim is Allowed as of the Effective Date, each Holder of a Prepetition ABL Credit Facility Claim shall receive payment, in full, in Cash on the Initial Distribution Date or as soon as reasonably practicable thereafter.

b. If such Prepetition ABL Credit Facility Claim is not Allowed as of the Effective Date, payment in full, in Cash on or as soon as reasonably practicable after the succeeding Distribution Date after such Claim becomes an Allowed Claim; provided, however, that pending a determination of the allowance of such Claim, the Debtors shall deposit an amount of Cash in the Prepetition ABL Credit Facility Claim Reserve that would be sufficient to provide for the payment in full in Cash of such claim.

   By voting to accept the Plan, Holders of Prepetition ABL Credit Facility Claims shall be deemed to have waived, as of the Effective Date, any entitlement to post-Effective Date interest, fees, and any other amounts that may be due pursuant to the terms of the Prepetition ABL Credit Facility except for any interest that is earned on the Cash deposited in the ABL Credit Facility Claim Reserve.

If the Holder of a Prepetition ABL Credit Facility Claim votes to reject the Plan, each Prepetition ABL Credit Facility Claim shall receive on or as soon as reasonably practicable following the later to occur of the Initial Distribution Date and the succeeding Distribution Date after such Claim becomes an Allowed Claim, at the option of the Debtors, in their sole discretion, (a) such treatment as will satisfy section 1129(b)(a)(i) of the Bankruptcy Code, or (b) the treatment set forth in Section 3.2.3(b)(i) of the Plan.

Reorganized UCI shall obtain financing for the New First Lien Exit Facility, a new term and/or revolving loan facility provided under the New First Lien Credit Agreement, from any third party financing source(s) on terms and conditions mutually acceptable to the Debtors and the Reorganized Debtors.

The New First Lien Exit Facility shall (i) be in the aggregate principal amount of up to $100,000,000, unless the Debtors determine not to proceed with the Rights Offering or the New Second Lien Exit Facility, in which case the New First Lien Exit Facility shall be in the aggregate principal amount of up to $140,000,000. The New First Lien Lenders will have valid, binding and enforceable liens on the collateral specified in the New First Lien Credit Facility Agreement. It is anticipated that approximately $70,000,000 will be drawn at the Effective Date unless the Debtors determine not to commence and consummate the Rights Offering or obtain the New Second Lien Exit Facility, in which case the amount drawn could be substantially

higher unless the Prepetition ABL Credit Facility Claims are provided treatment under section 1129(b)(a)(i) of the Bankruptcy Code in which case the drawn amount could be substantially lower. The New First Lien Exit Facility shall be used (i) to refinance the Prepetition ABL Credit Facility on the Effective Date, including any letters of credit; (ii) pay certain Allowed Claims, and (iii) to provide working capital for and to pay other general corporate expenses of the Reorganized Debtors.

6. ***The Rights Offering/New Second Lien Exit Facility***

At the election of the Debtors, on or before the Effective Date, the Reorganized Debtors may raise up to $40 million in new capital by commencing the Rights Offering of (a) up to $40,000,000 of second lien secured debt to be issued pursuant to a Second Lien Rights Offering Facility, and (b) the New Common Stock Warrants. If the Debtors elect to commence and consummate the Rights Offering, a Second Lien Rights Offering Facility will be funded with the proceeds from the Rights Offering and the Second Lien Rights Offering Facility Lenders will have a second priority lien on substantially all of the assets of Reorganized UCI.

Each Other Senior Noteholder and Holder of an Allowed General Unsecured Claim receiving New Common Stock under the Plan (each, an "Eligible Non-Backstop Party") may elect to participate in the Rights Offering. The Debtors, and such other Senior Noteholders acceptable to the Debtors, will participate in the Rights Offering as "Backstop Parties".

If, however, the Debtors so elect, in lieu of commencing and consummating the Rights Offering and entering into the Second Lien Rights Offering Facility, the Reorganized Debtors may obtain financing, to the extent necessary, for a New Second Lien Exit Facility. The New Second Lien Exit Facility will consist of a term loan facility in an aggregate principal amount of up to $40,000,000 provided under the New Second Lien Credit Agreement, obtained from any third party financing source(s) on terms and conditions mutually acceptable to the Debtors and the Reorganized Debtors, as applicable.

7. ***The Management Equity Incentive Plan***

Following the Effective Date, Reorganized UCI shall implement the Management Equity Incentive Plan that will provide for 5% of the New Common Stock (defined below) on a fully diluted basis to be reserved for grants of options/restricted stock for the Reorganized Debtors' management, directors and employees as determined by the board of Reorganized UCI.

8. ***General Settlement of Claims and Interests***

As described more fully in Section 5.17 of the Plan, pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan will constitute a good faith compromise and settlement of all Claims or controversies relating to the rights that a Holder of a Claim or Interest may have with respect to any Allowed Claim or Allowed Interest or any distribution to be made pursuant to the Plan on account of any Allowed Claim or Allowed Interest.

9. ***Releases***

The Plan contains certain releases (as described more fully in Section V.L. hereof), including mutual releases between the Debtors and Reorganized Debtors, on the one hand, and the Released Parties, on the other hand (each solely in their capacity as such). The Plan also provides that each Holder of a Claim or an Interest that (i) votes to accept or is deemed to accept the Plan or (ii) votes to reject the Plan, is deemed to reject the Plan, or is in a voting Class that abstains from voting on the Plan but does not elect to opt out of the release provisions contained in Section 10.4 of the Plan, will be deemed to have expressly, unconditionally, generally, individually, and collectively released and discharged all Claims and Causes of Action against the Debtors and the Released Parties. Under the Plan, the Released Parties means the parties set forth in Exhibit 1.114, to be filed with the Plan Supplement.

C. U.S. FEDERAL SECURITIES LAW MATTERS

To the extent available, the Debtors are relying on section 1145(a)(1) of the Bankruptcy Code and applicable federal or state securities laws to the fullest extent permissible under applicable bankruptcy law and non-bankruptcy law, to exempt the exchange, issuance and distribution of any securities to be issued by the Reorganized Debtors under the Plan from the provisions of the Securities Act, and other U.S. and non-U.S. federal and state securities and "blue sky" laws insofar as: the securities will be issued by a debtor, an affiliate of a debtor, or a successor to a debtor under a plan approved by a Bankruptcy Court; the recipients of the securities hold a claim against, an interest in, or a claim for an administrative expense in a case concerning a debtor or such affiliate; and the securities are issued entirely in exchange for the recipient's claim against or interest in the debtor, or are issued "principally" in such exchange and "partly" in exchange for Cash or property.

The solicitation of acceptances and rejections from creditors of Classes C, D and E (each, a "Voting Class") and the deemed offer of the securities to be issued by the Reorganized Debtors under the Plan as a result thereof are being made on the basis of the Solicitation Package and in reliance upon one or more exemptions from the registration requirements of the Securities Act and any U.S. and non-U.S. state or local laws requiring registration, including Section 4(2) of the Securities Act and/or Regulation D, Rule 144A or Regulation S thereof, as applicable, with respect to transactions not involving a public offering and with accredited investors, qualified institutional buyers or non- U.S. persons, and also, in part, upon the truth and accuracy of the certifications made by creditors in the Voting Classes in their applicable Ballots.

D. OVERVIEW OF CHAPTER 11

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 itself, its creditors and its equity security holders. In addition to permitting the rehabilitation of a debtor, another goal of chapter 11 is to promote the equality of treatment of similarly situated creditors and equity interest holders with respect to the distribution of a debtor's assets.

The commencement of a chapter 11 case creates an estate that is comprised of all of the legal and equitable interests of the debtor as of the commencement date. The Bankruptcy Code provides that the debtor may continue to operate its business and remain in possession of its property as a "debtor-in-possession."

The consummation of a plan of reorganization is the principal objective of a chapter 11 reorganization case. A plan of reorganization sets forth the means for satisfying claims against and equity interests in the debtor. Confirmation of a plan of reorganization by the bankruptcy court makes the plan binding upon the debtor, any issuer of securities under the plan, any person acquiring property under the plan and any creditor or equity interest holder of a debtor. Subject to certain limited exceptions, the order approving confirmation of a plan discharges a debtor from any debt that arose prior to the date of confirmation of the plan and substitutes therefor the obligations specified under the confirmed plan.

E. VOTING ON THE PLAN

The Disclosure Statement Order approved certain procedures governing the solicitation of votes on the Plan from Holders of Claims against the Debtors, including setting the deadline for voting, specifying which Holders of Claims are eligible to receive Ballots to vote on the Plan, and establishing other voting procedures.

THE DISCLOSURE STATEMENT ORDER IS HEREBY INCORPORATED BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN. YOU SHOULD READ THE DISCLOSURE STATEMENT ORDER, THE CONFIRMATION HEARING NOTICE, AND THE INSTRUCTIONS ATTACHED TO YOUR BALLOT IN CONNECTION WITH THIS SECTION, AS THEY SET FORTH IN DETAIL PROCEDURES GOVERNING VOTING DEADLINES AND OBJECTION DEADLINES.

The Plan, though proposed jointly and consolidated for purposes of making distributions to Holders of Claims under the Plan, constitutes a separate Plan proposed by each Debtor. Therefore, the classifications set forth in the Plan apply separately with respect to each Plan proposed by, and the Claims against and Interests in, each Debtor. Your vote will count as votes for or against, as applicable, each Plan proposed by each Debtor.

This summary does not contain all of the information that is important to you and is qualified in its entirety by the more detailed information concerning solicitation of votes on the Plan included in Section I.F. of this Disclosure Statement and in the accompanying Plan.

The Voting Classes	The Debtors are soliciting votes to accept or reject the Plan from the Holders of Claims in Classes C, D and E.
Voting Record Date:	Only Holders in the Voting Classes as of [____], 2016 (the "Voting Record Date"), will be entitled to vote on the Plan. The Debtors reserve the right to set a later Voting Record Date if the Debtors decide to extend the Voting Deadline.
Voting Deadline; Extension:	The Voting Deadline is 4:00 p.m., prevailing eastern time, on [___], 2016, unless the Debtors in their sole discretion extend the date by which Ballots will be accepted. If the Voting Deadline is extended, the term Voting Deadline will mean the time and date that is designated. Any extension of the Voting Deadline will be followed as promptly as practicable by notice of the extension.
Voting Procedures:	If you are a Holder of a Claim in the Voting Classes, you should deliver a properly completed Ballot to the Voting Agent. Ballots must be received

	by the Voting Agent on or before the Voting Deadline. Ballots may be delivered via mail, overnight mail or other delivery service or facsimile.
Revocation or Withdrawal of Ballots:	Upon the expiration or termination of this Solicitation, Holders may not revoke or withdraw their Ballots; provided, that prior to the Voting Deadline, as may be extended, voting Holders may withdraw any votes cast even if such votes have been delivered to the Voting Agent.
Voting Agent:	The Debtors have retained Garden City Group, LLC as the Voting Agent in connection with this Solicitation. Deliveries of Ballots should be directed to Garden City Group, LLC as set forth below or pursuant to the instructions contained in the Ballots.

F. VOTING PROCEDURES, BALLOTS, AND VOTING DEADLINE

The following instructions for voting to accept or reject the Plan, together with the instructions contained in the Ballot constitute the Voting Instructions. To vote on the Plan, you must be a Holder of a Claim in the Voting Classes as of the Voting Record Date. To vote, you must fill out and sign the Ballot enclosed herewith.

1. *Holders of Claims and Interests Entitled to Vote.*

Under section 1124 of the Bankruptcy Code, a class of claims or equity interests is deemed to be "impaired" under a plan unless (1) the plan leaves unaltered the legal, equitable and contractual rights to which such claim or equity interest entitles the holder thereof or (2) notwithstanding any legal right to an accelerated payment of such claim or equity interest, the plan (a) cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy or defaults of a kind that do not require cure), (b) reinstates the maturity of such claim or equity interest as it existed before the default, (c) compensates the holder of such claim or equity interest for any damages from such holder's reasonable reliance on such legal right to an accelerated payment, (d) if such claim or such interest arises from a failure to perform nonmonetary obligations, other than a default arising from a failure to operate a nonresidential real property lease, compensates the holder of such claim or such interest (other than the debtor or an insider) for any actual pecuniary loss incurred by such holder as a result of such failure and (e) does not otherwise alter the legal, equitable or contractual rights to which such claim or equity interest entitles the holder of such claim or equity interest.

The following table sets forth (a) a simplified summary of which Classes are entitled to vote on the Plan and which are not, and (b) the estimated Allowed amount (in USD millions), the estimated recovery percentage and/or the voting status for each of the separate Classes of Claims provided for in the Plan. The Claim estimates set forth below assume a [____], 2016 Effective Date.

Class	Designation	Entitled to Vote	Estimated Allowed Amount[4] (in millions)	Estimated Recovery (%)

[4] Figures with respect to the Allowed amounts of the Claims set forth in this chart are based upon the Debtors' best estimates of such claims as of the date of this Disclosure Statement.

			With Rank Contribution	***Without Rank Contribution***	***With Rank Contribution***	***Without Rank Contribution***
A	Priority Non-Tax Claims	No	$[_]	$[_]	100%	100%
B	Other Secured Claims	No	$[_]	$[_]	100%	100%
C	Prepetition ABL Credit Facility Claims	Yes	$[_]	$[_]	[__]%	[__]%
D	Senior Notes Claims	Yes	$[_]	$[_]	[__]%	[__]%
E	General Unsecured Claims	Yes	$[_]	$[_]	[__]%	[__]%
F	Convenience Claims	No	$[_]	$[_]	100%	100%
G	Intercompany Claims	No	$[_]	$[_]	100%	100%
H	Section 510(b) Claims	No	$[_]	$[_]	0%	0%
I	Interests in UCI Holdings	No	$[_]	$[_]	0%	0%
J	Interests in Subsidiary Debtors	No	$[_]	$[_]	100%	100%

In accordance with sections 1126 and 1129 of the Bankruptcy Code, the Voting Classes are impaired under the Plan and, to the extent Claims in the Voting Classes are deemed Allowed, the Holders of such Claims will receive distributions under the Plan. As a result, the Holders of Allowed Claims in each of these Classes are entitled to vote to accept or reject the Plan.

Claims in Classes A, B, F and J are unimpaired under the Plan, and the Holders of Allowed Claims in each of these Classes are conclusively presumed to have accepted the Plan and are not entitled to vote on the Plan.

Claims in Class G are unimpaired or are impaired. As set forth in Section 4.4 of the Plan, Holders of Claims in Class G (Intercompany Claims) shall be conclusively presumed to have accepted the Plan and, are not entitled to vote on the Plan.

Classes H and I are impaired under the Plan and will not receive or retain any property of the Debtors in respect thereof. Pursuant to section 1126(g) of the Bankruptcy Code, the Holders of Claims or Interests in each of these Classes are conclusively deemed to have rejected the Plan and their votes on the Plan will not be solicited.

Accordingly, the Debtors are only soliciting votes on the Plan from Holders of Allowed Claims in Classes C, D and E. If your Claim or Interest is not in one of these Classes, you are not entitled to vote on the Plan and you will not receive a Ballot with this Disclosure Statement. If your Claim is in one of these Classes, you should read your Ballot and follow the listed instructions carefully. Please use only the Ballot that accompanies this Disclosure Statement.

If an objection has been filed with respect to your Claim, you are not entitled to vote on the Plan (unless your Claim is only disputed in part, in which case you shall be entitled to vote solely on account of the undisputed portion of your Claim) unless you obtain an order of the Bankruptcy Court either resolving the objection or temporarily allowing your claim for voting purposes. In addition, if your Claim is identified in the Schedules as disputed, contingent, or unliquidated, you are not entitled to vote on the Plan unless you obtain any order of the

Bankruptcy Court temporarily allowing such Claim for voting purposes (or otherwise allowing such Claim).

As set forth in the Confirmation Hearing Notice and in the Disclosure Statement Order, Holders of Claims who seek to have their claims temporarily allowed by the Bankruptcy Court for voting purposes must file on the docket and serve on parties entitled to receive service thereof a motion seeking such relief no later than [____], 2016.

A vote on the Plan may be disregarded if the Bankruptcy Court determines, pursuant to section 1126(e) of the Bankruptcy Code, that it was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code. The Disclosure Statement Order also sets forth assumptions and procedures for determining the amount of Claims that each creditor is entitled to vote in these Chapter 11 Cases and how votes will be counted under various scenarios.

Your vote on the Plan is important. The Bankruptcy Code requires as a condition to confirmation of a plan of reorganization that each class that is impaired and entitled to vote under a plan votes to accept such plan, unless the plan is being confirmed under the "cramdown" provisions of section 1129(b) of the Bankruptcy Code. Section 1129(b) permits confirmation of a plan of reorganization, notwithstanding the nonacceptance of the plan by one or more impaired classes of claims or equity interests, so long as at least one impaired class of claims or interests votes to accept a proposed 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 non-accepting class.

2. *Vote Required for Acceptance by a Class of Claims.*

A Class of Claims shall have accepted the Plan if it is accepted by at least two-thirds (⅔) in amount and more than one-half (½) in number of the Claims in such Class that have voted on the Plan.

3. *Solicitation Package*

The package of materials (the "Solicitation Package") sent to Holders of Claims entitled to vote on the Plan contains:

- a copy of the notice of the Confirmation Hearing (the "Confirmation Hearing Notice");
- a copy of the order entered by the Bankruptcy Court (D.I. [__]) (the "Disclosure Statement Order") that approves this Disclosure Statement, establishes the voting procedures, schedules a Confirmation Hearing, and sets the Voting Deadline and the deadline for objecting to Confirmation of the Plan; and
- for Holders of Claims in voting Classes (*i.e.*, Classes C, D and E), an appropriate form of Ballot, instructions on how to complete the Ballot, and a prepaid, pre-addressed Ballot return envelope.

In addition, the Plan, this Disclosure Statement, and, once they are filed, all exhibits to both documents (including the Plan Supplement) will be made available online at no charge at the website maintained by the Debtors' voting agent, Garden City Group, LLC (the "Voting Agent"), at *cases.gcginc.com/uci*. In addition, the Debtors will provide parties in interest (at no charge) with hard copies of the Plan and/or Disclosure Statement, as well as any exhibits thereto, upon request to the Voting Agent by email at *UCIInfo@gardencitygroup.com* or by telephone at (855) 907-3238.

4. *Voting Procedures, Ballots and Voting Deadlines*

If you are entitled to vote to accept or reject the Plan, one or more Ballot(s) has been enclosed in your Solicitation Package for the purpose of voting on the Plan. Please vote and return your Ballot(s) in accordance with the instructions accompanying your Ballot(s).

You should carefully review (1) the Plan, (2) this Disclosure Statement, (3) the Disclosure Statement Order, (4) the Confirmation Hearing Notice, and (5) the detailed instructions accompanying your Ballot prior to voting on the Plan.

After carefully reviewing these materials, including the detailed instructions accompanying your Ballot(s), please indicate your acceptance or rejection of the Plan by completing the Ballot(s). All votes to accept or reject the Plan with respect to any Class of Claims entitled to vote on the Plan must be cast by properly submitting the duly completed and executed form of Ballot designated for such Class. Holders of Claims voting on the Plan should complete and sign the Ballot(s) in accordance with the instructions thereon, being sure to check the appropriate box entitled "Accept the Plan" or "Reject the Plan." In order for your vote to be counted, you must complete and return your Ballot(s) in accordance with the instructions accompanying your Ballot(s) on or before the Voting Deadline. 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.

If you (1) hold Claims in more than one voting Class, or (2) hold multiple Claims within one Class, including if you (a) are the beneficial owner of Senior Notes Claims held under the name of your broker, bank, dealer, or other agent or nominee (each, a "Voting Nominee") (rather than under your own name) through one or more than one Voting Nominee or (b) are the beneficial owner of Senior Notes Claims registered in your own name as well as the beneficial owner of Senior Notes Claims registered under the name of your Voting Nominee (rather than under your own name), you may receive more than one Ballot.

If you are the beneficial owner of Senior Notes Claims held under the name of your Voting Nominee (rather than under your own name) through one or more than one Voting Nominee, for your votes with respect to such Senior Notes Claim to be counted, your Ballots must be mailed to the appropriate Voting Nominee(s) at the addresses on the envelopes enclosed with your Ballot(s) (or otherwise delivered to the appropriate Voting Nominee(s) in accordance with such Voting Nominee(s)' instructions) so that such Voting Nominee(s) have sufficient time to record your votes on a Master Ballot and return such Master Ballot so it is actually received by the Voting Agent by the Voting Deadline.

All other Ballots, in order to be counted, must be properly completed in accordance with the voting instructions on the ballot and **actually received** no later than the Voting Deadline (i.e., **[_____], 2016, at [__]:00 p.m. (Eastern Standard Time)**) by the Voting Agent via regular mail, overnight courier, or personal delivery at the appropriate address (in accordance with the instructions accompanying your Ballot). ALL BALLOTS MUST BE SENT TO THE FOLLOWING:

If by U.S. mail or email:	**If by courier/hand delivery:**
UCI International, LLC, *et al.* c/o GCG P.O. Box 10278 Dublin, OH 43017-5778	UCI International, LLC, *et al.* c/o GCG 5151 Blazer Parkway, Suite A Dublin, Ohio 43017

No Ballots may be submitted by electronic mail or any other means of electronic transmission, (except the Voting Agent's online balloting platform), and any Ballots submitted by electronic mail or other means of electronic transmission will not be accepted by the Voting Agent. Again, Ballots should not be sent directly to the Debtors.

Any Holder who has submitted to the Voting Agent prior to the Voting Deadline a properly completed Ballot may change 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 a Holder of a Claim delivers to the Voting Agent more than one timely, properly completed Ballot with respect to such Claim prior to the Voting Deadline, the Ballot that will be counted for purposes of determining whether sufficient acceptances required to confirm the Plan have been received will be the last timely, properly completed Ballot, as determined by the Voting Agent, received last from such Holder with respect to such Claim.

If you are a Holder of a Claim who is entitled to vote on the Plan and did not receive a Ballot, received a damaged Ballot, lost your Ballot or if you have any questions regarding the procedures for voting on the Plan, you should contact the Voting Agent:

GARDEN CITY GROUP, LLC
1985 Marcus Ave
Lake Success, NY 11042
Telephone: (855) 907-3238

Ballots must be delivered to the Voting Agent, at the address, facsimile or email set forth above, and received by the Voting Deadline. THE METHOD OF SUCH DELIVERY IS AT THE ELECTION AND RISK OF THE VOTER. If such delivery is by mail, it is recommended that voters use an air courier with a guaranteed next day delivery or registered mail, properly insured, with return receipt requested. In all cases, sufficient time should be allowed to ensure timely delivery.

BALLOTS WILL NOT BE COUNTED IF THEY ARE RECEIVED BY THE VOTING AGENT AFTER THE VOTING DEADLINE OR ARE ILLEGIBLE, INCOMPLETE OR UNSIGNED.

In order for your vote to be counted, your Ballot(s) must be properly completed in accordance with the voting instructions on the Ballot(s) and received no later than the Voting Deadline by the Voting Agent (as defined below). Do not return any debt instruments or equity securities with your Ballot(s).

Any executed Ballot that does not indicate either an acceptance or rejection of the Plan or indicates both an acceptance and rejection of the Plan will not be counted as a vote either to accept or reject the Plan.

Before voting on the Plan, each Holder of a Claim in the Voting Classes should read, in its entirety, this Disclosure Statement, the Plan, the Disclosure Statement Order, the Confirmation Hearing Notice, and the instructions accompanying the Ballot(s). These documents contain important information concerning how Claims are classified for voting purposes and how votes will be tabulated. Holders of Claims entitled to vote are also encouraged to review the relevant provisions of the Bankruptcy Code and Bankruptcy Rules and/or consult their own attorney.

5. *Confirmation Hearing and Deadline for Objections to Confirmation*

The Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on whether the Debtors have fulfilled the confirmation requirements of section 1129 of the Bankruptcy Code. The Confirmation Hearing has been scheduled for **[_____], 2016, at [__]:00 a.m. (Eastern Standard Time)**, before the Honorable Judge Mary F. Walrath, United States Bankruptcy Judge for the District of Delaware, in the United States Bankruptcy Court for the District of Delaware, located at 824 North Market Street, 5th Floor, Courtroom #4, Wilmington, Delaware. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice. Any objection to Confirmation must (1) be in writing, (2) state the name and address of the objecting party and the nature of the Claim or Interest of such party, and (3) state with particularity the basis and nature of such objection. Any such objections must be filed and served upon the persons designated in the Confirmation Hearing Notice in the manner and by the deadline described therein.

6. *Advisors*

The Debtors' bankruptcy legal advisors are Sidley Austin LLP and Young Conaway Stargatt & Taylor, LLP. The Debtors' investment banker is Moelis & Company LLC ("Moelis") and their financial advisor is Alvarez & Marsal North America, LLC ("Alvarez"). The Debtors' advisors can be contacted at:

SIDLEY AUSTIN LLP
One South Dearborn Street
Chicago, Illinois 60603
Telephone: (312) 853-7000
Facsimile: (312) 853-7036
Attn: Larry J. Nyhan and Jessica C.K. Boelter

MOELIS & COMPANY, LLC
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7. *Withdrawal or Change of Votes on the Plan*

After the Voting Deadline, no vote may be withdrawn without the prior consent of the Debtors, which consent shall be given in the Debtors' sole discretion.

Any Holder who has submitted to the Voting Agent prior to the Voting Deadline a properly completed Ballot may change 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 with respect to the same Claim, the Ballot that will be counted for purposes of determining whether sufficient acceptances required to confirm the Plan have been received will be the Ballot that the Voting Agent determines was the last to be received.

II. OVERVIEW OF THE DEBTORS' OPERATIONS

A. THE DEBTORS' BUSINESSES

The Debtors are a leader in the design, manufacturing, and distribution of vehicle replacement parts, including a broad range of filtration, fuel delivery systems, and cooling systems products in the automotive, trucking, marine, mining, construction, agricultural, and industrial vehicles markets. Headquartered in Lake Forest, Illinois, the Debtors conduct their business through three principal operating subsidiary Debtors and their respective affiliates: Airtex Products, LP ("Airtex"), Champion Laboratories, Inc. ("Champion"), and ASC Industries, Inc. ("ASC"). UCI and UCI International are direct and indirect, respectively, wholly-owned subsidiaries of UCI Holdings Limited, a New Zealand limited liability company ("UCI Holdings"). UCI International is an intermediate parent of the other Debtors and their respective non-Debtor subsidiaries (collectively with UCI Holdings and UCI, the "UCI Group"). The UCI Group is ultimately owned by an individual, Mr. Graeme Richard Hart. Mr. Hart controls his holdings in the UCI Group, as well as other non-debtor affiliates through Rank (collectively, the "Rank Group") for whom he is the sole shareholder and director. A summary chart of the equity structure for UCI Holdings and its subsidiaries is attached hereto as Exhibit F.[5]

[5] As reflected on Exhibit F, the immediate parent of UCI Holdings is non-Debtor UCI Holdings (No. 1) Limited ("UCI No. 1"), which is, in turn, a wholly-owned subsidiary of non-Debtor UCI Holdings (No. 2) Limited ("UCI No. 2"). The ultimate sole shareholder of UCI No. 2 is Mr. Graeme Richard Hart.

Together with their non-Debtor subsidiaries, the Debtors operate out of twelve manufacturing facilities and fourteen distribution and warehouse facilities in North America, Europe and Asia. The Debtors have approximately 1,900 employees, all of whom are located in the United States. For the year ended December 31, 2015, the Debtors had net sales of approximately $784.7 million, resulting in a net loss of approximately $501.3 million. The Debtors had approximately $433.3 million in total assets and $714.8 million in total liabilities on a consolidated basis for the year ended December 31, 2015.

B. THE DEBTORS' CORPORATE HISTORY AND STRUCTURE

UCI International, through its predecessors, has been in operation since 1958. In 2003, UCI International purchased all of the equity interests of Champion, Wells Manufacturing Corporation, Wells Manufacturing Canada Limited (together with Wells Manufacturing Corporation, "Wells"), and Airtex along with certain affiliates. With the exception of Wells and together with ASC, purchased in 2006, these companies represent the Debtors' primary operating subsidiaries.

UCI International was initially incorporated on March 8, 2006 as a holding company for United Components, LLC ("United Components"). UCI Holdings, an entity domiciled in New Zealand and indirectly wholly-owned by Mr. Graeme Richard Hart, was incorporated on November 26, 2010 for the purpose of consummating the acquisition of UCI International. On November 29, 2010, UCI International entered into the Merger Agreement by and among UCI International, Rank, an affiliate of UCI Holdings wholly-owned by Mr. Graeme Richard Hart, and Uncle Acquisition 2010 Corp. ("Acquisition Co."), an indirect wholly-owned subsidiary of UCI Holdings, pursuant to which Acquisition Co. agreed to be merged with and into UCI International, with UCI International continuing as the surviving corporation and an affiliate of Rank Group. On January 26, 2011, the merger was consummated for a purchase price of $375 million and the assumption of UCI International's indebtedness, and UCI International, through its merger with Acquisition Co. and survival, became a wholly-owned indirect subsidiary of UCI Holdings (the "UCI Acquisition"). The Merger Agreement did not include any post-closing indemnification obligations or any provision for adjusting the amount payable to stockholders (whether for working capital or otherwise).

At the time of the UCI Acquisition in 2011, UCI International (i) repaid and terminated its term loan facility in an aggregate principal amount of $425.0 million and terminated its undrawn revolving credit facility in an aggregate principal amount of $75.0 million; (ii) purchased $315.0 million aggregate principal amount of its floating rate senior PIK notes due 2013 (the "Senior PIK Notes") pursuant to a tender offer; (iii) called for redemption of all the remaining Senior PIK Notes that were not purchased as of the date of the UCI Acquisition; and (iv) deposited $41.2 million for the satisfaction and discharge of such remaining Senior PIK Notes with the trustee under the indenture for the Senior PIK Notes. The redemption of the remaining Senior PIK Notes was completed on February 25, 2011.

At the same time, UCI International entered into (i) a $300.0 million senior secured term loan facility (the "Senior Secured Term Loan Facility") drawn at the closing of the UCI Acquisition, and (ii) a $75.0 million senior revolving credit facility (together with the Senior Secured Term Loan Facility, the "Senior Secured Credit Facilities"), which was undrawn at

closing. UCI International also issued $400.0 million in aggregate principal amount of the Senior Unsecured Notes (as defined herein) and executed related guarantees. As set forth below, the Senior Secured Credit Facilities were refinanced in full and terminated as of September 30, 2015, when UCI International entered into the Prepetition ABL Credit Facility (as defined below). The transactions that occurred at the time of the UCI Acquisition were financed with (i) the net proceeds from the issuance of the Senior Unsecured Notes; (ii) Cash in the amount of $320.0 million contributed to Acquisition Co. in connection with the UCI Acquisition; (iii) borrowings under the Senior Secured Term Loan Facility; (iv) advances from Rank Group; and (v) available Cash of UCI International.

C. THE DEBTORS' OPERATIONS AND INTERNAL SEGMENTS

The Debtors' operations include three product lines—(i) filtration, (ii) fuel delivery systems, and (iii) cooling systems—through which the Debtors supply a broad range of products in the automotive, trucking, construction, mining, agricultural, marine, and other industrial markets. The Debtors' products can be used in a substantial majority of light vehicles in operation in North America, including approximately 94% of pre-2009 models, and are generally classified into two groups:

- *Non-Discretionary:* The UCI Group's fuel delivery systems and cooling systems are critical to vehicle operation and must be replaced upon failure; and

- *Recurring Maintenance:* The UCI Group's filtration products are replaced at regular maintenance intervals.

The Debtors' three product lines may be broken down into two primary internal segments: filtration and pumps.

A. *Filtration*

The Debtors design and manufacture filtration products for the automotive, trucking, construction, mining, agricultural, marine and other industrial markets through their Champion operating subsidiary. Champion is headquartered in Lake Forest, Illinois within the Debtors' UCI International headquarters and maintains primary manufacturing and distribution operations in Albion, Illinois. The UCI Group's filtration segment consists of approximately 6,100 part numbers, including oil, air, fuel, cartridge, transmission and cabin air filters, PCV valves, hydraulic filters, fuel dispensing filters and fuel/water separators. These filtration products serve approximately 1,700 customers across multiple channels, domestically and internationally, including premier retailers as well as the heavy duty, installer, and original equipment manufacturer ("OEM") and original equipment service providers ("OES") channels, as described further below.

The Debtors maintain a broad portfolio of filtration brands, including private label brands such as ACDelco, Motorcraft, K&N and Service Champ, national consumer brands including STP and Mobil 1, and the Debtors' proprietary brands—Champ, Luber-finer, ACE and Kleener.

The UCI Group's filtration products are manufactured in three plants operated by the Debtors, with two located in Albion, Illinois and one in Shelby Township, Michigan. As described in further detail below, the Debtors' vehicle filtration business sells certain product to, purchases certain product from and previously shared certain distribution facilities with the filtration business of non-Debtor affiliate APH and APH's subsidiaries, including FRAM Group Holdings Inc. (the "FRAM Group"). However, the Debtors and FRAM Group maintain their own customer relationships.

B. *Pumps*

The Debtors' pumps business segment is comprised of the Airtex and ASC subsidiaries, which manufacture and distribute fuel delivery and cooling systems to the light and heavy duty vehicle markets. Airtex and ASC share a common management team, distribution, and sales force, and the international non-Debtor subsidiaries share manufacturing and assembly operations.

Airtex's products include electric and mechanical fuel pumps, fuel pump assemblies, and strainers and kits. Approximately 5,100 part numbers are sold to approximately 400 customers. These products are distributed under the proprietary brand Airtex, as well as certain private labels, such as CARQUEST and NAPA. In 2016, Airtex closed its owned manufacturing and distribution facility in Fairfield, Illinois and transferred production to a joint ASC-Airtex facility in Puebla, Mexico, and distribution to an ASC facility in North Canton, Ohio.

ASC is a leading manufacturer of cooling systems products, including aluminum and cast iron cooling systems, cooling systems for strategic OEM applications, and fan clutches. The Debtors maintain the number one market position by net sales in cooling systems in the North American light vehicle aftermarket. Overall, ASC supplies over 800 customers with approximately 2,000 part numbers under the Airtex and ASC brands as well as private labels such as CARQUEST, Duralast, and Murray. In addition to leading the aftermarket business, ASC maintains strong OEM sales in North America, including supplying parts for GM's "Gen V" engine program and as a preferred supplier to Ford Motor Company ("Ford"). ASC has a casting plant in Tianjin, China, which provide benefits such as competitive labor costs and attractive raw materials pricing, and assembly facilities in North Canton, Ohio, Puebla, Mexico, and Tianjin, China. ASC also maintains a distribution center in North Canton, Ohio. In addition to these operations, ASC assembles and distributes water and fuel pumps for the European market through its facility in Zaragoza, Spain.

D. THE DEBTORS' CUSTOMERS

The UCI Group sells into multiple sales channels, including retailers, wholesale distributors, dealers and the heavy-duty vehicle market. In order to capture demand throughout the life cycle of a vehicle, the Debtors attempt to diversify sales among various aftermarket sales channels. In the early part of a vehicle's life, the OES channel services a significant percentage of vehicle maintenance and repair because the vehicle is generally still under the OEM warranty period. As a vehicle ages, and the OEM warranty expires, vehicle owners will increasingly rely on traditional and retail aftermarket channels to vehicle repair and maintenance.

The UCI Group generates a large percentage of its net sales from business with top customers. In 2015, the Debtors' top three customers include AutoZone, Inc. ("AutoZone"), General Motors Company ("GM"), and Advance Stores Company, Inc. ("Advance"), which accounted for approximately 40% of total net sales in 2015. In 2016, year to date through June, these three customers, plus Ford, represent 44.2% of total net sales.

The UCI Group also generates net sales from business with non-Debtor Affiliates. In 2016, year to date through June, the Debtors had sales to their non-debtor affiliate Autoparts Holding Limited ("APH") of approximately $23.5 million, which are expected to decline over time.

1. *Light Vehicle Aftermarket Customer Channels*

Replacement parts for light vehicle aftermarket products are typically distributed through two main channels: (1) retail channels consisting of national chains and mass merchandisers, and (2) the "traditional" channel consisting of independent repair shops, warehouses, quick lubes, tire dealers, full service gas stations and professional installers. The retail channel is the UCI Group's largest channel, accounting for approximately 29% of net sales. The UCI Group distributes products to mass merchandisers and national retail chains, which turn sell it to do-it-yourself ("DIY") customers and independent repair shops that provide installation services for customers through the "do-it-for-me" ("DIFM") market. The traditional channel represented approximately 20% of the UCI Group's 2015 net sales. This customer channel is also important to the UCI Group's operations, as it is the primary source of products for professional mechanics operating in the DIFM market.

2. *Heavy-Duty Vehicle Aftermarket*

In contrast to the light vehicle aftermarket, the heavy duty vehicle aftermarket tends to be highly fragmented and less price-sensitive. The heavy-duty vehicle aftermarket accounted for approximately 11% of the UCI Group's 2015 net sales. Within this channel, the UCI Group has developed certain well-recognized brands with the Luber-finer brand of filtration products. Within this channel, the Debtors supply several points, including distributors such as FleetPride and TruckPro as well as individual service depots.

3. *Original Equipment*

The original equipment channel consists of OEM and OES. Combined, this channel comprised approximately 32% of the UCI Group's 2015 net sales.

The UCI Group sells products to a strategic mix of OEMs within each of the following categories:

- *Automotive:* Ford and GM
- *Heavy-duty Truck:* Caterpillar/Perkins, Freightliner, Cummins and Parker-Hannifin
- *Motorcycle:* Harley-Davidson
- *Recreational Equipment:* Onan and Polaris
- *Agriculture:* Deere and Kubota
- *Marine:* Mercury Marine

- *Lawn and Garden:* Briggs and Stratton, Deere and Kohler

The Debtors have selectively engaged in long life-cycle OEM contracts with Caterpillar/Perkins, Ford, and GM in their cooling systems and fuel delivery systems product lines.

The Debtors' OES channel is comprised of a diverse mix of dealership service bays in the automotive, truck, motorcycle and watercraft vehicle markets, and a substantial majority of sales from this channel are derived from sales of filtration products. The UCI Group's most significant OES channel customers include service parts operations associated with companies such as GM, Ford and Chrysler.

The Debtors maintain a leading market position in each of their product lines, offering approximately 13,200 unique part numbers. In the year ended December 31, 2015, approximately 60% of the UCI Group's net sales, including approximately 11% related to the OES channel, were generated from sales to a diverse group of aftermarket customers. The Debtors are a supplier to some of the largest companies in the aftermarket and have maintained certain key customer relationships for approximately 20 years on average.

E. INTERNATIONAL OPERATIONS

1. *Foreign Facilities and Operations*

The UCI Group has significant operations in foreign countries. Through its non-Debtor subsidiaries, the UCI Group operates manufacturing facilities in low-cost countries, including a presence of over 20 years in both China and Mexico. Currently, approximately 31%, 4% and 5% of the UCI Group's total workforce is located in China, Mexico and Europe, respectively.

The UCI Group's foreign manufacturing facilities are integral to the UCI Group's business operations. Through these plants, the UCI Group successfully utilizes a coordinated global manufacturing operation, allowing the UCI Group to offer customers a low-cost and timely manufacturing, sourcing and distribution platform.[6] For example, the UCI Group, through foreign subsidiaries, operates manufacturing facilities in Tianjin, China and Puebla, Mexico. These plants supply critical components to the plants in the United States as well as certain finished products to the UCI Group's customers. ASC also assembles and distributes water and fuel pumps for the European market through its facility in Zaragoza, Spain. In addition to foreign manufacturing facilities, the UCI Group also operates two sourcing offices in China, with low-cost product development, supplier development, engineering resources and procurement capabilities.

During 2016, the Debtors transitioned certain fuel pump product lines to facilities in Mexico operated by non-Debtor subsidiary Talleres Mecanicos Montserrat, S.A. de C.V. ("TMM") in connection with the closure of the Debtors' Fairfield, Illinois Facility.

[6] The Debtors purchase components and finished goods from its foreign subsidiaries on a cost-plus basis in accordance with typical transfer pricing rules.

Transitioning these product lines to TMM will result in cost savings for the Debtors' operations going forward.

2. *Presence in International Markets*

In addition to foreign facilities and operations, the UCI Group has a long-standing presence in the international light and heavy-duty vehicle aftermarket. In the year ended December 31, 2014, the UCI Group generated $194.0 million of non-U.S. net sales and continues to strategically invest in targeted international markets by expanding international product offerings, leveraging internationally recognized brands, such as Luber-finer and Airtex, and expanding the UCI Group's international catalog.

F. RECENT OPERATIONS OF THE DEBTORS

The consolidated operating results of UCI Holdings and its consolidated subsidiaries, including non-debtors, for the year-ended December 31, 2015 and the 6 months ended June 30, 2016 are shown below:[7]

UCI Holdings Limited
Consolidated Statements of Net Income (Loss)
(US$'s in millions)

	Year-Ended December 31, 2015	6 Months-Ended June 30, 2016
Net sales		
Pumps	$ 363.1	$ 176.0
Filters	421.7	187.0
Total net sales	**784.8**	**363.0**
Cost of sales	(743.5)	(334.8)
Gross profit	**41.3**	**28.2**
Gross Profit %	*5.3%*	*7.8%*
Selling, general and administrative	(68.1)	(19.3)
Goodwill and intangible impairment losses	(452.9)	-
Restructuring expense	(11.4)	(19.0)
EBIT	**(491.2)**	**(10.2)**
Interest expense, net	(27.6)	(19.3)
Other expense	(5.8)	-
Loss from continuing operations before income taxes	(524.6)	(29.4)
Income tax benefit (expense)	20.8	(2.7)
Income (Loss) from Continuing Operations	(503.8)	(32.2)
Income from discontinued operations, net of tax	2.5	-
Net loss	**(501.3)**	**(32.2)**
Adjusted EBITDA from Continuing Operations		
EBIT, less factoring expense	(495.0)	(12.0)
Depreciation and amortization	45.7	12.6
Restructuring expense	11.4	19.0
Goodwill, intangible impairment & other adjustments	457.8	-
Adjusted EBITDA	**$ 20.0**	**$ 19.6**
Adjusted EBITDA Margin %	*2.5%*	*5.4%*
Adjusted EBITDA less Capex		
Capital investment	(11.7)	(2.1)
Adjusted EBITDA less Capex	**$ 8.3**	**$ 17.6**

[7] The Consolidated Statements of Net Income are preliminary and unaudited. The Debtors use Adjusted EBITDA to evaluate internal performance. Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, less factoring expense, and excluding items of a significant or unusual nature that cannot be attributed to ordinary business operations, such as goodwill and intangible impairment losses, restructuring costs, business optimization costs and costs related to the unwinding of sharing arrangements with Rank and APH. Adjusted EBITDA is a non-GAAP financial measure and should not be considered as a substitute for net income (loss), operating profit or any other performance measure derived in accordance with GAAP or as a substitute for cash flow from operating activities as a measure of liquidity in accordance with GAAP.

UCI Holding's audited 2014 and unaudited 3rd quarter 2015 financial statements as filed with the SEC are attached hereto as Exhibit C.

As reflected in the monthly cash forecast attached to the Supplemental Cash Collateral Motion, UCI Holdings had approximately $44 million in cash on hand on a consolidated basis as of July 22, 2016, and projects sufficient cash through the expected completion of the restructuring process at year-end.

G. THE DEBTORS' RELATIONSHIP WITH THE FRAM GROUP

1. *Historical Joint Services and Cost-Sharing with the FRAM Group*

As part of normal business operations, the UCI Group historically engaged in various business relationships with affiliated entities in the FRAM Group in connection with certain corporate services and filtration operations. In addition, the UCI Group and FRAM Group were previously operated by a common senior management team. Historically, the relationship between the FRAM Group and the UCI Group included:

- A Joint Services Agreement (the "Joint Services Agreement") with APH on behalf of itself and the FRAM Group. Pursuant to the Joint Services Agreement, the UCI Group and the FRAM Group each agreed to purchase certain administrative services from the other party. These services include legal, corporate executive management, human resources, procurement management, finance, IT management, sales and marketing, integration, non-plant staff operation, use of facilities and services related to filtration operations (including certain finance, technical and administrative services); and

- Certain cost-sharing and manufacturing arrangements between the UCI Group and FRAM Group. The UCI Group's and FRAM Group's respective businesses each include the production of vehicle filtration products. In order to take advantage of the operational efficiencies between the two filtration businesses, Champion and the AH Group historically manufactured and supplied products to each other in the ordinary course of business, and certain FRAM Group production was relocated to the UCI Group's filtration manufacturing locations and certain of the UCI Group's product was relocated to FRAM Group filtration manufacturing locations.

The Debtors' cost sharing and manufacturing activities with the FRAM Group have largely been unwound during 2015 and 2016, although the Debtors continue to purchase certain product from and sell certain product to FRAM Group. The Debtors do not expect to have a continuing relationship with the FRAM Group upon emergence.

2. *Prepetition Notices of Termination*

Prior to the Petition Date, certain Rank affiliates served the Debtors with the following notices of termination of certain shared services (the "Shared Services Terminations") between the Debtors and their affiliates:

i. that certain Notice of Termination (the "JSA Termination Notice") dated May 6, 2016 from Autoparts Holdings Limited to UCI International LLC,

ii. that certain Notice of Termination dated May 6, 2012 from Reynolds Services Inc. to UCI International LLC (the "IT Services Termination Notice"),

iii. that certain letter (the "Notice of Discontinuance") dated June 1, 2016 from Autoparts Holdings Limited to UCI International LLC; and

iv. That certain Notice of Termination dated May 6, 2016, from Rank Group affiliate Pactiv LLC to UCI International LLC (the "Lease Termination Notice", and, together with the Notice of Discontinuance, JSA Termination Notice and IT Services Termination Notice, the "Termination Notices")

Pursuant to the Termination Notices, Rank affiliates notified the Debtors that certain critical shared services would be terminated as early as August 1, 2016. Thereafter, Rank and the Debtors continued to discuss the best way to proceed regarding separation of the parties' respective businesses. Ultimately, the parties agreed to certain extensions on termination dates under the Shared Services Terminations and critical asset transfers in exchange for agreeing to the key terms of the Debtors' DIP Facility (as defined below), which is described in further detail below. This agreement, as set forth in a letter agreement (the "Letter Agreement") between UCI International, APH, and Reynolds Services, Inc. ("Reynolds"), was an essential component of the Debtors' DIP Facility. Upon approval of the DIP Facility, the Letter Agreement provided that certain shared services would be extended through October 1, 2016 in addition to critical asset transfers between the Debtors and certain Rank affiliates. Moreover, as a result of the Debtors' good faith efforts in seeking approval of the DIP Facility, the termination date on certain shared services was permanently extended through September 10, 2016 upon the filing of the DIP Motion. Ultimately, on August 3, 2016, the Debtors, APH and Reynolds announced that they had entered into an amended and restated Letter Agreement (the "A&R Letter Agreement"), which provides the critical transition services through October 1, 2016 and asset transfers without a postpetition financing contingency. See *Notice of Filing of Amended and Restated Letter Agreement and Proposed Order Authorizing the Debtors to Enter Into and Perform Under the Amended and restated Letter Agreement* [D.I. 391]. The Debtors continue to believe that the transition services, as amplified by the A&R Letter Agreement, represent a significant benefit to the Debtors and their estates.

H. PREPETITION CAPITAL STRUCTURE

As of the Petition Date, the Debtors had approximately $469.4 million in aggregate funded indebtedness, comprised of approximately $69,443,839.66 outstanding under the Prepetition ABL Credit Facility (as defined below), plus an additional $5,803,837 in outstanding letters of credit issued under the Prepetition ABL Credit Facility and excluding accrued and unpaid interest, and $400.0 million outstanding under the Senior Unsecured Notes (as defined below), excluding accrued interest. The Debtors have granted security interests in and liens on all or substantially all of their assets to secure their obligations under the Prepetition ABL Credit Facility.

1. *Prepetition ABL Credit Facility*

Pursuant to the Prepetition ABL Credit Facility Agreement, dated as of September 30, 2015, by and among UCI International, as parent borrower, certain of its subsidiaries, as subsidiary borrowers (collectively, the "Prepetition Borrowers"), UCI Holdings and UCI, and Credit Suisse AG, Cayman Islands Branch ("Credit Suisse") as Administrative Agent, Collateral Agent and Issuing Lender (the "Prepetition ABL Agent) (as amended from time to time, the "Prepetition ABL Credit Facility" and together with all agreements, documents, notes, instruments and any other agreements delivered pursuant thereto or in connection therewith, the "Prepetition ABL Credit Facility Documents"), the Prepetition ABL Agent initially provided the Debtors with senior secured asset-based revolving loans and letters of credit of up to a maximum aggregate principal amount of $125 million outstanding at any time. The Debtors used the proceeds of the Prepetition ABL Credit Facility to refinance in full and terminate all of the $74.9 million outstanding under the Debtors' then-existing Senior Secured Credit Facilities, and to pay certain related fees and expenses. On November 30, 2015, the Prepetition Borrowers decreased the aggregate lender commitments under the Prepetition ABL Credit Facility by $25 million to $100 million as subsequently memorialized in an amendment dated December 14, 2015.

The Prepetition ABL Credit Facility is guaranteed by each of the Debtors, and the Debtors' obligations arising under the Prepetition ABL Credit Facility are secured by a first-priority lien (subject to certain permitted liens) on substantially all of the assets of the Debtors (subject to certain specified exclusions), including, without limitation, (i) the Debtors' accounts, cash, contracts, equipment, intellectual property, inventory and certain commercial tort claims, together with all of the proceeds of the foregoing, (ii) pursuant to that certain Guarantee and Collateral Agreement dated as of September 30, 2015, 100% of each of the Debtors' equity interests in its domestic subsidiaries and 65% of its equity interests in its foreign subsidiaries, (iii) pursuant to that certain General Security Deed dated as of September 30, 2015, all of UCI Holdings' personal property and a mortgage of all of its interests in any land if the fair market value of such interests is $10 million or more individually, and (iv) pursuant to that certain Specific Security Deed, dated as of September 30, 2015, UCI Holdings' right, title and interest in all shares in UCI Acquisition Holdings (No. 1) Corp (collectively, the Prepetition ABL Collateral").

Borrowings under the Prepetition ABL Credit Facility bear interest at a fluctuating rate per annum measured by reference, at the option of the Prepetition Borrowers, to either adjusted LIBOR or an alternate base rate, in each case plus an applicable margin. The Prepetition Borrowers are also obligated to pay various fees, commissions and related charges and expenses, including professional fees, under the Prepetition ABL Credit Facility Agreement. The Prepetition ABL Credit Facility matures on November 15, 2018 if the Senior Unsecured Notes are not repaid in full or refinanced by such date in accordance with the applicable terms of the Prepetition ABL Credit Facility Agreement. Otherwise, the Prepetition ABL Credit Facility matures on September 30, 2020.

After Credit Suisse funded the Prepetition ABL Credit Facility on September 30, 2015, on December 22, 2015, Credit Suisse and Rank Group Finance Holdings Limited ("Rank Group

Finance")[8] (together with Credit Suisse, the "Prepetition ABL Secured Parties") entered into that certain Affiliated Lender Assignment and Acceptance (the "Assignment and Acceptance"). The Assignment and Acceptance provided, among other things, for the sale and assignment by Credit Suisse to Rank Group Finance of $65.0 million of the commitments and approximately $35.7 million of the then-outstanding principal amount of revolving loans under the Prepetition ABL Credit Facility Agreement. As a result, as of September 30, 2015, Rank Group Finance held 65% and Credit Suisse held 35% of the commitments and outstanding loans under the Prepetition ABL Credit Facility Agreement. On March 15, 2016, UCI International submitted a request to Credit Suisse for an additional borrowing of $22.25 million under the Prepetition ABL Credit Facility. On the same date, Rank Group Finance funded its pro rata share of this borrowing in the amount of $14,462,500, while Credit Suisse did not. As a result, as of the Petition Date, Rank Group Finance held 65% and Credit Suisse held 35% of the commitments, and Rank Group Finance held 72% and Credit Suisse held 28% of the outstanding loans under the Prepetition ABL Credit Facility Agreement.

As of the Petition Date, approximately $69.4 of aggregate indebtedness was outstanding under the Prepetition ABL Credit Facility, plus an additional $5.8 million in outstanding letters of credit issued under the Prepetition ABL Credit Facility.

2. *The Senior Unsecured Notes*

On January 26, 2011, pursuant to that certain Indenture, dated as of January 26, 2011 (as amended, restated, supplemented, or otherwise modified from time to time, the "Indenture"), between UCI International and Wilmington Trust, N.A., as successor by merger to Wilmington Trust FSB, as Trustee, Paying Agent, Transfer Agent and Registrar, UCI International issued $400 million in aggregate principal amount of 8.625% senior unsecured notes due 2019 (the "Senior Unsecured Notes"). On April 17, 2015, Debtor UCI Acquisition Holdings (No. 3) LLC joined the Indenture as a co-issuer of the Senior Unsecured Notes. The Senior Unsecured Notes mature on February 15, 2019 and pay interest at a rate of 8.625% per annum, payable in cash in arrears semi-annually on February 15 and August 15 of each year. The Senior Unsecured Notes are guaranteed by each of the Debtors.

As of the Petition Date, $400 million in aggregate principal amount of Senior Unsecured Notes was outstanding and $27,946,377.60 in accrued prepetition interest.

3. *Trade and Other Indebtedness*

In addition to the Prepetition ABL Credit Facility and Senior Unsecured Notes, as of the Petition Date, the Debtors had approximately $111 million of outstanding unsecured debt. This amount is comprised of (i) approximately $59 million of trade debt outstanding to parties that are unaffiliated with the Debtors, (ii) approximately $52 million of trade debt owed by the Debtors to their non-Debtor subsidiaries and non-Debtor affiliates, and (iii) approximately $0.6 million outstanding in connection with a litigation settlement entered in 2014. Additionally, the Debtors sponsor three defined benefit pension plans (collectively, the "Pension Plans") that were underfunded by an aggregate amount of approximately $66 million at December 31, 2015.

[8] Rank Group Finance is owned by Mr. Graeme Richard Hart, who also indirectly owns 100% of the equity interests of the Debtors.

As of the Petition Date, the Debtors had capital lease obligations totaling approximately $0.1 million, which were used to finance various computer equipment and vehicles. During the year ended December 31, 2013, the Debtors entered into equipment leases accounted for as capital leases. At the inception of the leases, the capitalized lease assets and capitalized leased obligations were less than $0.1 million. The Debtors did not enter into any new capital leases during the years ended December 31, 2015 and 2014.

I. CORPORATE GOVERNANCE

As of the date hereof, the Debtors' current senior leadership team consists of:

Name	Position
Greg Noethlich	President, Champion Laboratories
Brett McBrayer	President, ASC & Airtex
Ricardo F. Alvergue	Vice President, CFO
Keith A. Zar	General Counsel, Secretary & Vice President
David Forbes	Assistant Secretary, Treasurer & Vice President
Brian Whittman	Chief Restructuring Officer

As of the date hereof, UCI Holdings' board of directors consists of four members, including one independent director. The members of UCI Holdings' board of directors are Graeme Hart, Bryce Murray, Allen Hugli and Alan Carr, the independent director. Mr. Carr was appointed to the UCI Holdings board of directors on February 10, 2016. He had no prior affiliation with the Debtors prior to his appointment. Mr. Carr is the Chief Executive Officer of Drivetrain Advisors and has more than 20 years of experience advising financially distressed companies.

III. KEY EVENTS LEADING TO THE DECISION TO COMMENCE THE VOLUNTARY CHAPTER 11 CASES

A. REASONS FOR FINANCIAL DISTRESS

The Debtors' bankruptcy filings were the result of the convergence of both industry-wide trends and factors specific to the Debtors that combined to put pressure on the Debtors' businesses and adversely impacted the Debtors' financial results.

1. *Macroeconomic Trends*

Four significant macroeconomic trends adversely impacted the Debtors' business operations prior to the Petition Date. First, certain of the Debtors faced competition from countries with lower production costs, particularly China. Second, there has been a decrease in the percentage of vehicles manufactured in the United States, which is the market in which the Debtors have historically been the strongest. Third, there has occurred a concentration of buying power among a smaller group of customers, and finally, improvements in technology and product quality have extended the longevity of light vehicle parts, delaying or reducing aftermarket sales.

While the Debtors had undertaken efforts to counteract these trends, each had adversely impacted the Debtors' revenue and earnings. While some of these efforts helped to offset the impact of these trends, the Debtors' efforts also resulted in increased manufacturing costs as the Debtors restructured their manufacturing footprint, additional write-offs of excess and obsolete inventory as the Debtors shifted their product offerings to remain competitive, and other issues that adversely impacted earnings in the near term for expected longer term profitability.

2. *Factors Specific to the Debtors*

In addition to macroeconomic trends affecting the industry as a whole, in the fourth quarter of 2015, three discrete developments occurred that caused a liquidity crisis for the Debtors. First, Airtex lost all of its business at Advance, a leading retailer in the aftermarket car products sector. The loss of Advance was compounded by the declining sales to AutoZone over the first three quarters of 2015. As of December 31, 2014, approximately 54% of Airtex's sales were generated from the retail component of the aftermarket sector, with AutoZone and Advance as Airtex's primary retail customers. In addition, Advance now sources directly from a manufacturer in China and has the capability to become a direct competitor of Airtex by providing volumes to Airtex's remaining customers. The Debtors' management anticipated that the loss of the Advance business could cause other retail customers to review their purchase of Airtex products. The significance of the lost Advance volumes triggered a comprehensive review of the sustainability of the Airtex business, resulting in Airtex management's decision to exit the retail sector for the supply of aftermarket fuel pumps. As a result, it is estimated that the Airtex business will contract from sales of approximately $140 million in 2015 to an estimated $50 million in 2016, and that its EBITDA will fall from $0.5 million in 2015 to a projected -$5.6 million in 2016, turning positive on a run rate basis in the second half of 2016.

Second, in the fourth quarter of 2015, AutoZone notified ASC, which supplied seven of AutoZone's eight distribution centers, that ASC had lost the right to supply three of AutoZone's distribution centers. This volume ceased by December 2015. The reduction in volume was the result of an AutoZone competitive re-bid that was initiated by a competitor of ASC. The loss of the AutoZone distribution centers is expected to have a $4 million negative impact on ASC's EBITDA in 2016.

Third, ASC was notified by GM that ASC's bid to supply GM with the "Gen V+" water pump was unsuccessful. ASC has a contract for the supply of the "Gen V" water pump for GM, which is used in a significant portion of GM's current production. The Gen V+ will replace the Gen V beginning in late 2017. The Gen V contract represents a significant component of ASC's volumes, revenue and contribution to EBITDA. While ASC expects to continue to supply GM under its existing contract through at least 2017, and expects to continue with lower volumes during the changeover period through to late 2019, the pending loss of such a significant contract is expected to have an adverse impact on ASC.

Finally, Champion faced pricing pressures combined with operational issues as the Debtors attempted to mitigate price reductions by maximizing plant capacity through new volume and facility consolidation.

Together, these factors contributed to a need to address the capital structure issues facing the Debtors in late 2015 and early 2016, the urgency of which was heightened by the Debtors' $17.25 million semi-annual interest payment on the Senior Unsecured Notes due on February 16, 2016. Due to the Debtors' highly leveraged financial position, as discussed further below, the Debtors engaged their principal stakeholders in negotiations concerning a consensual resolution of the Company's financial challenges.

B. RESTRUCTURING EFFORTS WITH THE KEY CREDITOR CONSTITUENCIES

In January 2016, the Debtors met with representatives of the Ad Hoc Group to begin discussions concerning a more appropriate and sustainable capital structure for the Debtors. Also, on February 10, 2016, the Debtors appointed Alan J. Carr as independent director to each of their respective boards of directors to facilitate the discussions with the Ad Hoc Group and other key stakeholders.

During the course of the Debtors' restructuring discussions, a cash interest payment for the Senior Unsecured Notes came due on February 16, 2016. In an effort to conserve cash while they continued restructuring negotiations, and after consulting with their advisors, the Board of Directors for UCI Holdings determined that it was in the Debtors' best interests not to make the cash payment at that time. Accordingly, on February 18, 2016, UCI Holdings announced that it had elected to exercise the grace period under the Indenture with respect to the $17.25 million interest payment due on the Senior Unsecured Notes. As it became clear that a comprehensive restructuring was unlikely to be consummated within the 30-day grace period, the Debtors and the Ad Hoc Group worked towards a forbearance agreement as restructuring discussions were ongoing. On March 18, 2016, UCI Holdings announced that the Ad Hoc Group and the Debtors had entered into a forbearance agreement with respect to the non-payment of the interest payment due February 16, 2016. In addition, on or about March 17, 2016, the Prepetition ABL Agent agreed to provide the Debtors with 24 hours' notice before exercising remedies under the Prepetition ABL Credit Facility Agreement.

For several months thereafter through the Petition Date, the Debtors continued to engage in discussions with the Ad Hoc Group. These discussions included several diligence meetings (including on-site tours), sessions to review the Debtors' five year business plans, and negotiations concerning the contours of a restructuring of the Debtors' balance sheet. In addition, during this time, the Debtors engaged in active discussions with Credit Suisse and Rank Group Finance regarding restructuring options and potential proposals. In late May, it became clear to the Debtors that their key constituencies would be unable to reach agreement on the terms of a consensual, out-of-court restructuring. The Debtors subsequently informed the Prepetition ABL Agent of their intention to commence bankruptcy proceedings without DIP financing and on the basis of the nonconsensual use of cash collateral, prompting the Prepetition ABL Agent on May 31, 2016 to provide notice to the Debtors that it may begin exercising remedies as of 4:00 p.m. Eastern Time on June 1, 2016.

IV. THE CHAPTER 11 CASES

A. VOLUNTARY PETITIONS

On June 2, 2016 (the "Petition Date"), the Debtors commenced the Chapter 11 Cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Chapter 11 Cases have been consolidated for procedural purposes only and are being administered jointly. The Debtors have continued, and will continue until the Effective Date, to operate their business as debtors-in-possession.

B. FIRST DAY RELIEF

On the Petition Date, the Debtors filed a number of "first day" motions and other pleadings. These were proposed to ensure the Debtors' orderly transition into chapter 11. The Bankruptcy Court entered orders granting all of first day motions. In certain cases, such motions were first granted on an interim basis, and later on a final basis. Certain of those orders reflected comments from the Creditors' Committee, the Office of the United States Trustee, and other stakeholders. The following table describes the most significant first day motions and lists the date and docket number *(i.e.*, [D.I.]) of each related order:

Description of Relief Requested	Date of Interim Order	Date of Final Order
Joint administration of the Chapter 11 Cases [D.I. 2]	6/03/16	
Prohibit utilities from discontinuing service and approve adequate assurance of payment to utilities [D.I. 6]	6/03/16 [D.I. 57]	7/12/16 [D.I. 291]
Employ GCG as the Claims and Noticing Agent [D.I. 5]	6/03/16	
Continue customer programs, practices and policies and honor related prepetition practices [D.I. 10]	6/03/16 [D.I. 71]	
Pay certain prepetition taxes [D.I. 12]	6/03/16 [D.I. 73]	
Continue and maintain certain ordinary course transactions with non-Debtor affiliates and pay certain prepetition trade payables of certain non-debtor foreign subsidiaries [D.I. 15]	6/03/16 [D.I. 76]	7/12/16 [D.I. 297]
Authorizing Brian Whittman to act as Foreign Representative [D.I. 16]	6/03/16 [D.I. 77]	
Continue to maintain factoring receivables under various factoring agreements [D.I. 17]	6/03/16 [D.I. 78]	7/12/16 [D.I. 296]
Pay prepetition claims of critical vendors [D.I. 11]	6/03/16 [D.I. 72]	7/12/16 [D.I. 298]
Pay prepetition claims of foreign vendors [D.I. 14]	6/03/16 [D.I. 75]	
Pay prepetition claims of shippers, warehousemen, and other lienholders [D.I. 13]	6/03/16 [D.I. 74]	
Pay employee wages and honor employee-related	6/03/16	7/12/16

programs [D.I. 9]	[D.I. 70]	[D.I. 299]
Maintain cash management system [D.I. 8]	6/03/16 [D.I. 65]	7/12/16 [D.I. 300]
Utilize prepetition cash collateral (described below) [D.I. 18]	6/03/16 [D.I. 79] 6/22/16 [D.I. 165] 7/21/16 [D.I. 333]	
Additional time to file schedules of assets and liabilities and statements of financial affairs [D.I. 7]	6/03/16 [D.I. 58]	

C. RETENTION OF ADVISORS FOR THE DEBTORS

Soon after the commencement of the Chapter 11 Cases, the Debtors requested and received Bankruptcy Court approval to employ the following professional firms: (i) Sidley Austin LLP as the Debtors' co-counsel; (ii) Young Conaway Stargatt & Taylor, LLP as the Debtors' Delaware co-counsel; (iii) Alvarez & Marsal North America, LLC to provide the Debtors with a Chief Restructuring Officer and certain other personal; (iv) Moelis & Company LLC as the Debtors' investment banker; and (iv) Garden City Group, LLC as the Debtors' administrative agent.

In connection with retaining these professionals, the Debtors sought [D.I. 172] and obtained approval to establish procedures for interim monthly compensation of professionals [D.I. 285].

The Debtors also sought [D.I. 173] and obtained approval to employ certain professionals not involved in the administration of the Chapter 11 Cases in the ordinary course of business [D.I. 286].

D. THE COMMITTEE

On June 10, 2016, the U.S. Trustee appointed the Creditors' Committee in these Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code [D.I. 103]. The Creditors' Committee consists of the following members: the Pension Benefit Guaranty Corporation, Wilmington Trust N.A., Randall Metals Corp., Jasper Rubber Products, Inc., AL Solutions, Inc., VII Peaks Capital, LLC and J.P. Morgan Investment Management, Inc.

On August 3, 2016, the Creditors' Committee obtained Bankruptcy Court approval of the retention of Morrison & Foerster LLP and Cole Schotz, P.C. as legal advisors to the Creditors' Committee and Zolfo Cooper, LLC as financial advisor to the Creditors' Committee.

E. THE AD HOC GROUP

The Ad Hoc Group is represented by Willkie Farr & Gallagher LLP, Morris Nichols Arsht & Tunnell LLP, Conway MacKenzie, Inc., and GLC Advisors & Co. On June 17, 2016, Willkie Farr & Gallagher LLP filed a joint verified statement, pursuant to Bankruptcy Rule 2019 disclosing the members of the Ad Hoc Group [D.I. 146].

F. USE OF CASH COLLATERAL

Prior to the Petition Date, both the Ad Hoc Group and the Prepetition ABL Secured Parties offered to provide the Debtors with debtor-in-possession financing in connection with the Chapter 11 Cases. The Debtors discussed terms of a DIP facility with both creditor groups prior to filing the Chapter 11 Cases, but ultimately determined that it was in the Debtors' best interests to enter the Chapter 11 Cases seeking to utilize cash on hand during the interim period as the Debtors continued to evaluate pursuing a DIP facility with either party. On June 3, 2016, the Court entered an interim order [D.I. 79] (the "First Interim Cash Collateral Order") authorizing the Debtors to continue to utilize its Cash Collateral (as defined in the Interim Cash Collateral Order) and all other Prepetition ABL Collateral under the Prepetition ABL Credit Facility.

Following entry of the First Interim Cash Collateral Order, the Debtors continued to evaluate pursuing DIP financing with either the Ad Hoc Group or the Prepetition ABL Secured Parties to backstop the ongoing restructuring efforts. As discussions continued, on June 22, 2016, the Court entered the second interim cash collateral order [D.I. 165] (the "Second Interim Cash Collateral Order.").

On June 28, 2016, the Debtors filed the *Motion for Entry of an Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing Pursuant to 11 U.S.C. §§ 105(a), 361, 362, 363, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1), 364(e) and 507(b) and (B) To Use Cash Collateral Pursuant to 11 U.S.C. § 363; (II) Granting Adequate Protection to the Prepetition ABL Secured Parties Pursuant to 11 U.S.C. §§ 361, 362, 363, 364 and 507(b); (III) Authorizing the Debtors to Enter into and Perform Under the Letter Agreement; and (IV) Granting Related Relief* [D.I. 194] (the "DIP Motion"). The DIP Motion sought authority to enter into a postpetition asset-based revolving credit facility (the "DIP Facility") that would provide additional liquidity to the Debtors and contemplated a "roll-up" of the Prepetition ABL Secured Parties' debt.

The Debtors, at the direction of Independent Director Alan Carr and Brian Whittman, the Debtors' Chief Restructuring Officer, ultimately determined that the DIP Facility provided the best terms available to the Debtors for several reasons. First, the DIP Facility included certain extensions on the Termination Notices and the transfer of certain valuable equipment to the Debtors that would provide value to the estate. Second, the Ad Hoc Group's financing proposal included a priming of the Prepetition ABL Secured Parties' liens. It was the Debtors' belief that, if the Debtors had selected the proposal from the Ad Hoc Group, litigation would have ensued over complex issues with respect to adequate protection that would have required valuation analyses, expert testimony and extensive discovery. The Debtors believed that a priming fight would have been detrimental to the Debtors' estates and their creditors. Finally, the Debtors believed that the DIP Facility had the least relative execution risk because it was being provided by the Prepetition ABL Secured Parties, who already held a first-priority prepetition security interest in and lien on substantially all of the Debtors' assets. In connection with the DIP Facility, UCI International, APH, and Reynolds Services, Inc. ("Reynolds") entered into a letter

agreement, dated June 28 ,2016 (the "Letter Agreement"), whereby the parties agreed to provide certain services and transfer certain assets in accordance with the timelines set forth in the Letter Agreement. In addition, the Debtors were able to secure an initial extension of the Termination Notices with the filing of the DIP Motion through and including September 10, 2016.

A hearing on the DIP Motion was held on July 12, 2016 (the "DIP Hearing"). At the conclusion of the DIP Hearing, the Court declined to enter the DIP Order and encouraged the parties to negotiate further, as the Court recognized that the Debtors did not have an immediate need for postpetition financing and still had time to continue to work on potential alternatives.

Following the DIP Hearing, the Court entered a third interim cash collateral order on July 21, 2016 [D.I. 333] (the "Third Interim Cash Collateral Order"). The Debtors, consistent with the Court's remarks, continued to engage in good-faith discussions and negotiations with the Prepetition ABL Secured Parties and the Ad Hoc Group on the best possible postpetition financing solution. Ultimately, the Debtors determined that it would not be beneficial to the estates to engage in another round of disputes surrounding the terms of a proposed debtor in possession financing facility provided by the Prepetition ABL Secured Parties. As a result, on August 2, 2016, the Debtors filed the *Debtors' Supplemental Motion For Entry of an Order (I) Authorizing the Debtors to Utilize Cash Collateral on a Final Basis Pursuant to 1 U.S.C. § 363; (II) Granting Adequate Protection to the Prepetition ABL Secured Parties Pursuant to 11 U.S.C. §§ 105(a), 361, 362, 363 and 507; and (III) Granting Related Relief* [D.I. 385] (the "Supplemental Cash Collateral Motion", seeking use of cash collateral on a final basis. On August 16, 2016, the Court entered an order authorizing use of cash collateral on a final basis [D.I. 435] (the "Final Cash Collateral Order").

Under the Final Cash Collateral Order, the Debtors are required to reach certain plan milestones (the "Milestones"). If the Debtors fail to achieve any of the Milestones, the Debtors' right to use cash collateral under the terms of the Final Order will terminate without further order of the Court upon five (5) days prior written notice from the Prepetition ABL Agent to the Debtors of a failure to achieve a Milestone. The Milestones are as follows:

1. The Debtors shall have filed a plan of reorganization by the date that is thirty (30) days following entry of the Final Order;

2. The Court shall have approved a disclosure statement with respect to the Plan by the date that is one hundred (100) days following entry of the Final Order;

3. The Court shall have entered an order confirming the Plan by the date that is one hundred and sixty (160) days following entry of the Final Order; and

4. The confirmed plan shall have been consummated no later than one hundred and eighty (180) days following entry of the Final Order.

G. ADMINISTRATIVE MATTERS IN THE PROCEEDINGS

1. *Bankruptcy Rule 2015.3 Reports*

The Debtors are required to comply with Bankruptcy Rule 2015.3 ("Rule 2015.3") which became effective on December 1, 2008. Pursuant to Rule 2015.3, the Debtors are required to file certain reports with the Bankruptcy Court, which provide additional financial reporting for non-Debtor entities in which the Debtors hold a "controlling or substantial" interest (the "2015.3 Reports"). On July 1, 2016, the Debtors filed their 2015.3 Reports [D.I. 213]. The Debtors hold a direct ownership interest of at least fifty percent (50%) in nine (9) non-debtor entities.

2. *Schedules of Assets and Liabilities; Statement of Financial Affairs*

On August 1, 2016, the Debtors filed (i) their Schedules of Assets and Liabilities (as amended, modified, or supplemented, the "Schedules") identifying the assets and liabilities of their estates and (ii) their Statements of Financial Affairs (as amended, modified, or supplemented, "Statements") [D.I. 356-381].

3. *Claims Process and Bar Date*

On August 15, 2016, the Bankruptcy Court entered an order [D.I. 427] (the "Bar Date Order") establishing the deadlines for the filing of proofs of Claim in these Chapter 11 Cases. These dates are as follows:

- the deadline for creditors (other than governmental units and certain other parties excused from filing proofs of claim under the Bar Date Order) to file proofs of Claim (including requests for payment pursuant to section 503(b)(9) of the Bankruptcy Code for the value of any good sold to any of the Debtors in the ordinary course of business and received by the Debtors during the twenty days before the Petition Date (*i.e.*, May 13, 2016 through June 1, 2016)) against any of the Debtors is September 30, 2016, at 5:00 p.m. (EST) (the "General Bar Date");

- the deadline for Governmental Units to file proofs of Claim against any of the Debtors is November 29, 2016, at 5:00 p.m. (EST) (the "Governmental Unit Bar Date");

- a bar date for Claims amended or supplemented by an amendment to the Debtors' Schedules by the later of (a) the General Bar Date; and (b) the date that is twenty-one (21) days after the date that notice of the applicable amendment to the Schedules is served on the claimant; and

- a bar date for any claims arising from or relating to the rejection of executory contracts or unexpired leases by the later of (i) the General Bar Date or (ii) thirty (30) days after the entry of the order providing for the rejection of such executory contract or unexpired lease.

The Debtors have provided notice of the bar dates above as required by the Bar Date Order.

V. THE PLAN OF REORGANIZATION

THE FOLLOWING SECTIONS SUMMARIZE CERTAIN KEY INFORMATION CONTAINED IN THE PLAN. THIS SUMMARY REFERS TO, AND IS QUALIFIED IN ITS ENTIRETY BY, THE PLAN, A COPY OF WHICH IS ATTACHED HERETO AS EXHIBIT A. THE TERMS OF THE PLAN WILL GOVERN IN THE EVENT ANY INCONSISTENCY ARISES BETWEEN THIS SUMMARY AND THE PLAN. THE BANKRUPTCY COURT HAS NOT YET CONFIRMED THE PLAN DESCRIBED IN THIS DISCLOSURE STATEMENT. IN OTHER WORDS, THE TERMS OF THE PLAN DO NOT YET BIND ANY PERSON OR ENTITY. IF THE BANKRUPTCY COURT DOES CONFIRM THE PLAN, HOWEVER, THEN IT WILL BIND ALL CLAIM AND INTEREST HOLDERS.

THE STATEMENTS CONTAINED IN THE DISCLOSURE STATEMENT DO NOT PURPORT TO BE PRECISE OR COMPLETE STATEMENTS OF ALL THE TERMS AND PROVISIONS OF THE PLAN OR DOCUMENTS REFERRED TO THEREIN, AND REFERENCE IS MADE TO THE PLAN AND TO SUCH DOCUMENTS FOR THE FULL AND COMPLETE STATEMENT OF SUCH TERMS AND PROVISIONS OF THE PLAN OR DOCUMENTS REFERRED TO THEREIN. HOLDERS OF CLAIMS AGAINST, AND EQUITY INTERESTS IN, THE DEBTORS AND OTHER INTERESTED PARTIES ARE URGED TO READ THE PLAN AND THE EXHIBITS THERETO IN THEIR ENTIRETY SO THAT THEY MAY MAKE AN INFORMED JUDGMENT CONCERNING THE PLAN.

CAPITALIZED TERMS USED IN THIS ARTICLE V THAT ARE NOT OTHERWISE DEFINED IN THIS ARTICLE V SHALL HAVE THE MEANINGS ASCRIBED TO THEM IN THE PLAN.

A. CLASSIFICATION AND ALLOWANCE OF CLAIMS & EQUITY INTERESTS GENERALLY

Section 1123 of the Bankruptcy Code provides that, except for administrative expense claims and priority tax claims, a plan of reorganization must categorize claims against and equity interests in a debtor into individual classes. Although the Bankruptcy Code gives a debtor significant flexibility in classifying claims and interests, section 1122 of the Bankruptcy Code dictates that a plan of reorganization may only place a claim or an equity interest into a class containing claims or equity interests that are substantially similar.

The Plan creates numerous "Classes" of Claims and Interests. These Classes take into account the differing nature and priority of Claims against and Interests in the Debtors. Administrative Expense Claims and Priority Tax Claims are not classified for purposes of voting or receiving distributions under the Plan, but are treated separately as unclassified Claims.

The Plan provides specific treatment for each Class of Claims and Interests. Only Holders of Allowed Claims are entitled to receive distributions under the Plan.

Unless otherwise provided in the Plan or the Confirmation Order, the treatment of any Claim or Interest under the Plan will be in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim or Interest.

B. PROVISIONS FOR PAYMENT OF ADMINISTRATIVE EXPENSE CLAIMS AND PRIORITY TAX CLAIMS

1. *Administrative Expense Claims*

Administrative Expense Claims are any claims for the payment of administrative expenses, defined in the Plan as any Claim for costs and expenses of administration of the Chapter 11 Cases arising on or after the Petition Date and prior to the Effective Date under sections 328, 330, 363, 364(c)(1), 365, 503(b), or 507(a)(2) of the Bankruptcy Code, including, without limitation, (a) any actual and necessary costs and expenses of preserving the Estates and operating the businesses of the Debtors from and after the Petition Date (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 related to tax periods, or portions thereof, ending on or before the Petition Date; (b) all compensation for actual and necessary legal, financial, advisory, accounting and other services provided by the Professionals and the reimbursement of actual and necessary expenses incurred by the Professionals pursuant to sections 328 or 330 of the Bankruptcy Code; (c) with the exception of Section 507(b) Claims, any indebtedness or obligations incurred or assumed by the Debtors during the Chapter 11 Cases; (d) any payment to be made under the Plan or otherwise to cure a default under an executory contract or unexpired lease that has been or will be assumed by any of the Debtors; or (e) any fees and charges assessed against the Estates under section 1930, Chapter 123, of Title 28 of the United States Code.

The Bankruptcy Code does not require that administrative expense claims be classified under a plan. It does, however, require that allowed administrative expense claims be paid in full in cash in order for a plan to be confirmed, unless the holder of such claim consents to different treatment.

Pursuant to the Plan and subject to the provisions of sections 328, 330, 331 and 503(b) of the Bankruptcy Code, on either: (i) the latest to occur of (x) the Effective Date, (y) the date upon which such Administrative Expense Claim becomes an Allowed Claim and (z) such other date as agreed upon by the Debtors and the Holder of such Administrative Expense Claim, or (ii) such other date as the Bankruptcy Court may order, each Holder of an Allowed Administrative Expense Claim shall receive, on account of and in full and complete settlement, release and discharge of, and in exchange for, such Allowed Administrative Expense Claim, (a) Cash equal to the full unpaid amount of such Allowed Administrative Expense Claim, or (b) such other less favorable treatment as the applicable Debtor and such Holder shall have agreed; provided, however, that Allowed Administrative Expense Claims not yet due or that represent obligations incurred by the Debtors in the ordinary course of their business during the Chapter 11 Cases, or assumed by the Debtors during the Chapter 11 Cases, shall be paid or performed when due in the

ordinary course of business and in accordance with the terms and conditions of the particular agreements governing such obligations.

Notwithstanding anything to the contrary, Allowed Administrative Expense Claims representing the Debtors' postpetition liabilities incurred in the ordinary course of business will continue to be paid by the Debtors during the Chapter 11 Cases in accordance with the terms and conditions of the particular transactions and any agreement or Bankruptcy Court order relating thereto.

Each Allowed Administrative Expense Claim will be paid from, and to the extent of available assets of, the respective Debtor's Estate to which such Claim applies or has been allocated. To the extent that an Administrative Expense Claim is Allowed against the Estate of both Debtors, there shall be only a single recovery on account of such Allowed Claim.

2. *Priority Tax Claims*

Priority Tax Claims are Allowed Claims of governmental units for taxes owed by the Debtors that are entitled to priority in payment pursuant to sections 502(i) and 507(a)(8) of the Bankruptcy Code. These taxes include (a) taxes on income or gross receipts that meet the requirements of section 507(a)(8)(A), (b) property taxes meeting the requirements of section 507(a)(8)(B), (c) taxes that were required to be collected or withheld by the Debtors and for which the Debtors are liable in any capacity as described in section 507(a)(8)(C), (d) employment taxes on wages, salaries, or commissions that are entitled to priority pursuant to section 507(a)(4), to the extent such taxes also meet the requirements of section 507(a)(8)(D), (e) excise taxes of the kind specified in section 507(a)(8)(E), (f) customs duties arising out of the importation of merchandise that meet the requirements of section 507(a)(8)(F), and (g) prepetition penalties relating to any of the foregoing taxes to the extent such penalties are in compensation for actual pecuniary loss as provided in section 507(a)(8)(G).

The Bankruptcy Code does not require that priority tax claims be classified under a plan. It does, however, require that such claims receive the treatment described below in order for a plan to be confirmed unless the holder of such claims consents to different treatment.

Pursuant to the Plan, except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment (in which event such other agreement shall govern), each Holder of an Allowed Priority Tax Claim against any of the Debtors that is due and payable on or before the Effective Date shall receive, on account of and in full and complete settlement, release and discharge of, and in exchange for, such Allowed Priority Tax Claim, Cash equal to the amount of such Allowed Priority Tax Claim on the later of (i) the Effective Date and (ii) the date such Priority Tax Claim becomes an Allowed Claim or as soon thereafter as practicable. All Allowed Priority Tax Claims against any of the Debtors that are not due and payable on the Effective Date shall be paid in the ordinary course of business by the Reorganized Debtors in accordance with the terms thereof.

C. SUMMARY OF CLASSIFICATION AND TREATMENT OF ALLOWED CLAIMS AGAINST AND INTERESTS IN EACH OF THE DEBTORS UNDER THE PLAN

Pursuant to sections 1122 and 1123 of the Bankruptcy Code, Claims and Interests are classified for all purposes, including, without limitation, voting, Confirmation and distributions pursuant to the Plan, as set forth in the Plan and described in this Disclosure Statement. A Claim or Interest shall be deemed classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class, and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Interest qualifies within the description of such different Class. A Claim or Interest is in a particular Class only to the extent that such Claim or Interest is Allowed in that Class and has not been paid or otherwise settled prior to the Effective Date.

The Plan is a joint plan that does not provide for substantive consolidation of the Debtors' Estates, and on the Effective Date, the Debtors' Estates shall not be deemed to be substantively consolidated for purposes thereof. Allowed Claims held against one Debtor will be satisfied solely from the Cash and assets of such Debtor and its Estate. Except as specifically set forth in the Plan, nothing in the Plan or this Disclosure Statement shall constitute or be deemed to constitute an admission that one Debtor is subject to or liable for any claim against any other Debtor.

Additionally, claimants holding Claims against multiple Debtors, to the extent Allowed in each Debtor's case, will be treated as a separate claim against each Debtor's Estate, provided, however, that no Holder shall be entitled to receive more than payment in full of its Allowed Claim (plus postpetition interest, if and to the extent provided in the Plan), and such Claims will be administered and treated in the manner provided in the Plan.

The categories of Claims and Interests listed below, which exclude Administrative Expense Claims and Priority Tax Claims in accordance with section 1123(a)(1) of the Bankruptcy Code, are classified for all purposes, including voting, confirmation, and distribution pursuant to the Plan, as follows:

Class	Designation	Impairment	Entitled to Vote
A	Priority Non-Tax Claims	No	No
B	Other Secured Claims	No	No
C	Prepetition ABL Credit Facility Claims	Yes	Yes
D	Senior Notes Claims	Yes	Yes
E	General Unsecured Claims:	Yes	Yes
F	Convenience Claims	No	No
G	Intercompany Claims	Yes	No
H	Section 510(b) Claims	Yes	No
I	Interests in UCI Holdings	Yes	No
J	Interests in Subsidiary Debtors	No	No

D. PROVISIONS FOR TREATMENT OF CLAIMS AND INTERESTS

1. *Priority Non-Tax Claims (Class A)*

Classification: Class Classification: Class A consists of all Priority Non-Tax Claims against the Debtors.

Treatment: On or as soon as reasonably practicable following the later to occur of the Effective Date and the date such Claim becomes an Allowed Claim, each Holder of an Allowed Priority Non-Tax Claim shall have such Claim Reinstated.

Voting: Claims in Class A are Unimpaired. Each Holder of an Allowed Claim in Class A shall be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code, and, therefore, shall not be entitled to vote to accept or reject the Plan.

2. *Other Secured Claims (Class B)*

Classification: Class B consists of all Other Secured Claims against the Debtors.

Treatment: On or as soon as reasonably practicable following the later to occur of the Effective Date and the date such Claim becomes an Allowed Claim, each Holder of an Allowed Other Secured Claim shall have such Claim Reinstated.

Voting: Claims in Class B are Unimpaired. Each Holder of an Allowed Claim in Class B shall be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code, and, therefore, shall not be entitled to vote to accept or reject the Plan.

3. *Prepetition ABL Credit Facility Claims (Class C)*

Classification: Class C consists of all Prepetition ABL Credit Facility Claims against the Debtors.

Treatment: Except to the extent the Holder of an Allowed Prepetition ABL Credit Facility Claim agrees to a less favorable or different treatment, each Holder of an Allowed Prepetition ABL Credit Facility Claim shall receive the following treatment, as applicable:

i. Acceptance. Each Holder of an Allowed Prepetition ABL Credit Facility Claims that votes to accept the Plan shall receive on account of, in full and complete satisfaction, release and discharge of, and in exchange for such Claim:

   a. If such Holder's Claim is Allowed on the Effective Date, payment in full, in Cash on the Initial Distribution Date or as soon as reasonably practicable thereafter.

b. If such Holder's Claim is not Allowed as of the Effective Date, payment in full, in Cash on or as soon as reasonably practicable after the succeeding Distribution Date after such Claim becomes an Allowed Claim; provided, however, that pending a determination of the allowance of such Claim, the Debtors shall deposit an amount of Cash in the Prepetition ABL Credit Facility Claim Reserve that would be sufficient to provide for the payment in full in Cash of such Claim; provided further, however, that by accepting the Plan, Holders of Prepetition ABL Credit Facility Claims shall be deemed to have waived, as of the Effective Date, any entitlement to post-Effective Date interest, fees and any other amounts that may be due pursuant to the terms of the Prepetition ABL Credit Facility Agreement except for any interest that is earned on the Cash deposited in the ABL Credit Facility Claim Reserve.

ii. Rejection. Each Holder of an Allowed Prepetition ABL Credit Facility Claims that votes to reject the Plan shall receive on account of, in full and complete satisfaction, release and discharge of, and in exchange for such Claim, at the option of the Debtors, in their sole discretion: (a) on or as soon as reasonably practicable following the later to occur of the Initial Distribution Date and the succeeding Distribution Date after such Claim becomes an Allowed Claim, such treatment as will satisfy section 1129(b)(a)(i) of the Bankruptcy Code, or (b) the treatment set forth in Section 3.2.3(b)(i) of the Plan.

Voting: Claims in Class C are Impaired. Each Holder of an Allowed Claim in Class C shall be entitled to vote to accept or reject the Plan.

4. ***Senior Notes Claims (Class D)***

Classification: Class D consists of all Senior Notes Claims against the Debtors.

Allowance: The Senior Notes Claims shall be deemed Allowed on the Effective Date in the aggregate principal amount of $400,000,000, plus any accrued but unpaid interest thereon payable through the Petition Date at the interest rate applicable pursuant to the terms of the Senior Unsecured Notes Indenture.

Treatment: On or as soon as reasonably practicable after the applicable Distribution Date, except to the extent the Holder of an Allowed Senior Notes Claim agrees to a less favorable or different treatment, each Holder of an Allowed Senior Notes Claim shall receive in full satisfaction, settlement, release and discharge of and in exchange for such Holder's Allowed Senior Notes Claim, the following treatment, as applicable:

i. Each Backstop Party shall (a) receive its GUC Pro Rata Allocation of New Common Stock and its Litigation Pro Rata Allocation of Litigation Trust Units and (b) participate in the Rights Offering, if any, in accordance with the terms of the Backstop Agreement applicable to such party.

ii. Each Other Senior Noteholder shall receive: either (a) its GUC Pro Rata Allocation of New Common Stock and its Litigation Pro Rata Allocation of Litigation Trust Units or (b) if such Holder's Allowed Senior Notes Claim is (i) equal to or less than $1,000,000, or (ii) if such Holder elects on its Ballot to reduce such Holder's Allowed General Senior Notes Claim to $1,000,000, a Cash payment equal to [__]% of the value of its GUC Pro Rata Allocation of New Common Stock. Each Other Senior Noteholder may, on such Holder's Ballot, elect the applicable treatment specified in Section 3.2.4(c)(ii)(a) or Section 3.2.4(c)(ii)(b) of the Plan. Each Other Senior Noteholder that receives the treatment set forth in Section 3.2.4(c)(ii)(a) of the Plan shall also have the option to participate in the Rights Offering, if any, that the Debtors may elect to commence pursuant to, and subject to the terms and conditions set forth in, Section 5.4 of the Plan. Each such Holder that does not submit a Ballot or that submits a Ballot but fails to affirmatively elect the treatment specified in Section 3.2.4(c)(ii)(b) of the Plan shall be deemed to have elected the treatment specified in Section 3.2.4(c)(ii)(a) of the Plan with respect to its Allowed General Unsecured Claim.

Voting: Claims in Class D are Impaired. Each Holder of an Allowed Claim in Class D shall be entitled to vote to accept or reject the Plan.

5. *General Unsecured Claims (Class E)*

Classification: Class E consists of all General Unsecured Claims.

Treatment: On or as soon as reasonably practicable following the applicable Distribution Date, except to the extent the Holder of an Allowed General Unsecured Claim agrees to a less favorable or different treatment, such Holder shall have the option to receive in full satisfaction, settlement, release and discharge of and in exchange for such Allowed General Unsecured Claim either: (i) its GUC Pro Rata Allocation of New Common Stock and its Litigation Pro Rata Allocation of Litigation Trust Units or (ii) if such Holder's Allowed General Unsecured Claim is (a) equal to or less than $1,000,000, or (b) such Holder elects on its Ballot to reduce such Holder's Allowed General Unsecured Claim to $1,000,000, a Cash payment equal to [_]% of the value of its GUC Pro Rata Allocation of New Common Stock. Each eligible Holder of an Allowed General Unsecured Claim may, on such Holder's Ballot, elect the applicable treatment specified in Section 3.2.5(b)(i) or Section 3.2.5(b)(ii) of the Plan. Each Holder of an Allowed General Unsecured Claim that receives the treatment set forth in Section 3.2.5(b)(i) of the Plan shall also have the option to participate in the Rights Offering, if any, that the Debtors may elect to commence pursuant to, and subject to the terms and conditions set forth in, Section 5.4 of the Plan. Each such Holder that does not submit a Ballot or that submits a Ballot but fails to affirmatively elect the treatment set forth in Section 3.2.5(c)(ii) of the Plan shall be deemed to have elected the treatment specified in Section 3.2.5(b)(i) of the Plan with respect to its Allowed General Unsecured Claim.

Voting: Claims in Class E are Impaired. Each Holder of an Allowed Claim in Class E shall be entitled to vote to accept or reject the Plan.

6. *Convenience Claims (Class F)*

Classification: Class F consists of all Convenience Claims.

Treatment: In full satisfaction, settlement, release and discharge of and in exchange for Allowed Convenience Claims, on or as soon as practicable after the applicable Distribution Date, each Holder of an Allowed Convenience Claim shall receive payment in full in Cash on account of such Claim; provided, however, that, subject to Section 7.3 of the Plan, postpetition Interest shall not be paid to any Holder on any Convenience Claim without regard to whether such amount has accrued for federal income tax purposes.

Voting: Allowed Claims in Class F are Unimpaired, and the Holders of such Claims are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Claims in Class F are not entitled to vote to accept or reject the Plan; provided, however, that all Claims in Class F shall be subject to allowance or disallowance in whole or in part under the applicable provisions of the Plan, including, but not limited to, Article VIII of the Plan.

7. *Intercompany Claims (Class G)*

Classification: Class G consists of all Intercompany Claims against the Debtors.

Treatment: On the Effective Date, at the option of the Reorganized Debtors, all Intercompany Claims shall either be (i) Reinstated, in whole or in part, or (ii) discharged and extinguished in full and shall be eliminated as of the Effective Date, in whole or in part, in which case such discharged and extinguished portion shall be eliminated and the Holders thereof shall not be entitled to and shall not receive or retain any property or interest on account of such discharged and extinguished portion under the Plan.

Voting: Claims in Class G are Unimpaired or are Impaired. As set forth in Section 4.4 of the Plan, Holders of Intercompany Claims shall be conclusively deemed to have accepted the Plan, and, therefore, shall not be entitled to vote to accept or reject the Plan.

8. *Section 510(b) Claims (Class H)*

Classification: Class H consists of all Section 510(b) Claims against the Debtors.

Treatment: On the Effective Date, all Section 510(b) Claims shall be discharged and extinguished and the Holders thereof shall not receive or retain any property under the Plan on account of such Section 510(b) Claims.

Voting: Claims in Class H are Impaired. Each Holder of an Allowed Claim in Class H shall be conclusively deemed to have rejected the Plan pursuant to section 1126(f) of the Bankruptcy Code, and, therefore, shall not be entitled to vote to accept or reject the Plan.

9. *Interests in UCI Holdings (Class I)*

Classification: Class I consists of all Interests in UCI Holdings.

Treatment: On the Effective Date, all Interests in UCI Holdings shall be cancelled, annulled, and extinguished and the Holders of such Interests shall not receive or retain any property under the Plan on account of such Interests.

Voting: Interests in Class I are Impaired. Each Holder of an Allowed Claim in Class I shall be conclusively deemed to have rejected the Plan pursuant to section 1126(f) of the Bankruptcy Code, and, therefore, shall not be entitled to vote to accept or reject the Plan.

10. *Interests in the Subsidiary Debtors (Class J)*

Classification: Class J consists of all Interests in the Subsidiary Debtors.

Treatment: On the Effective Date, all Interests in the Subsidiary Debtors shall be Reinstated, subject to the consummation of one or more Restructuring Transactions pursuant to Section 5.7 of the Plan. Reorganized UCI and the other Reorganized Debtors that are Holders of Interests in the Subsidiary Debtors shall retain, unaltered, the legal, equitable, and contractual rights to which such Subsidiary Interests entitled the Holders thereof immediately prior to the Effective Date.

Voting: Interests in Class J are Unimpaired. Each Holder of an Interest in Class J shall be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code, and, therefore, shall not be entitled to vote to accept or reject the Plan.

11. *Unimpaired Claims and Interests*

Except as otherwise explicitly provided in the Plan, nothing herein shall affect the Debtors' or the Reorganized Debtors' rights and defenses, both legal and equitable, with respect to any Unimpaired Claims or Interests, including, but not limited to, the legal and equitable defenses of setoff or recoupment with respect to the Unimpaired Claims.

E. IDENTIFICATION OF CLASSES OF CLAIMS AND INTERESTS THAT ARE IMPAIRED; ACCEPTANCE OR REJECTION OF THE PLAN

1. *Holders of Claims and Interests Entitled to Vote*

Each of Class A (Priority Non-Tax Claims), Class B (Other Secured Claims), Class F (Convenience Claims), and Class J (Interests in Subsidiary Debtors) is Unimpaired by the Plan and the Holders of Allowed Claims in each of such Classes are conclusively presumed to have accepted the Plan and are not entitled to vote to accept or reject the Plan.

Each of Classes C, D and E are Impaired and the Holders of Allowed Claims and Interests in such Classes are entitled to vote to accept or reject the Plan.

2. *Presumed Rejection by Certain Impaired Classes*

Each of Class H (Section 510(b) Claims) and Class I (Interests in UCI Holdings) is Impaired by the Plan, and the Holders of Claims and Interests in these Classes will not receive or

retain any property under the Plan on account of such Claims or Interests. Accordingly, Holders of Claims and Interests in Class H (Section 510(b) Claims) and Class I (Interests in UCI Holdings), respectively, are conclusively presumed to have rejected the Plan and are not entitled to vote to accept or reject the Plan.

3. *Acceptance by an Impaired Class*

Pursuant to section 1126(c) of the Bankruptcy Code, an Impaired Class of Claims shall have accepted the Plan if, after excluding any Claims held by any Holder designated pursuant to section 1126(e) of the Bankruptcy Code, (a) the Holders of at least two-thirds (⅔) in dollar amount of the Allowed Claims actually voting in such Class have voted to accept such Plan, and (b) more than one half (½) in number of such Allowed Claims actually voting in such Class have voted to accept the Plan.

Except for Holders of Claims in Classes that are deemed or presumed to have accepted or rejected the Plan pursuant to the terms of the Plan other than Section 4.2.2, if Holders of Claims in a particular Impaired Class of Claims were given the opportunity to vote to accept or reject the Plan and such Holders of Claims failed to vote to accept or reject the Plan, then such Class of Claims shall be deemed to have accepted the Plan.

4. *Presumed Acceptance by Unimpaired Classes*

Classes 4.3. A (Priority Non-Tax Claims against the Debtors), B (Other Secured Claims against the Debtors), F (Convenience Claims), and I (Interests in the Subsidiary Debtors) are Unimpaired by the Plan. Pursuant to section 1126(f) of the Bankruptcy Code, the Holders of Claims and Interests in such Classes are conclusively presumed to have accepted the Plan and therefore shall not be entitled to vote to accept or reject the Plan.

5. *Presumed Acceptance by the Holders of Intercompany Claims*

As proponents of the Plan (or subsidiaries thereof), Holders of Intercompany Claims in Class G are conclusively deemed to accept this Plan and votes shall not be solicited from the Holders of such Claims.

6. *Nonconsensual Confirmation*

With respect to the Impaired Classes of Claims and Interests that are deemed to reject the Plan (Classes H and I), the Debtors shall request that the Bankruptcy Court confirm the Plan pursuant to section 1129(b) of the Bankruptcy Code.

F. MEANS OF IMPLEMENTATION

1. *Non-Substantive Consolidation*

The Plan is a joint plan that does not provide for substantive consolidation of the Estates and, on the Effective Date, the Estates shall not be deemed to be substantively consolidated for purposes hereof. Except as specifically set forth herein, nothing in the Plan, the Plan

Supplement, or this Disclosure Statement shall constitute or be deemed to constitute an admission that any one of the Debtors is subject to or liable for any claim against any other Debtor. Additionally, claimants holding Claims against multiple Debtors, to the extent such Claims are Allowed in each Debtor's case, will be treated as Holders of separate Claims against each applicable Estate for all purposes (including, but not limited to, voting and distributions); provided, however, that no Holder shall be entitled to receive more than payment in full of its Allowed Claim (plus post-petition interest, if and to the extent provided in the Plan), and such Claims will be administered and treated in the manner provided in the Plan. Unless otherwise provided by the Plan or the Confirmation Order, Allowed Claims held against any Debtor shall be satisfied solely from the Cash and other assets of such Debtor and its Estate, provided that, to the extent of any insufficiency, funds or other property may be advanced to the relevant Debtor(s) by the Estate of any the Debtors, at the option of the advancing Debtor.

2. *Sources of Cash Consideration for Plan Distributions*

The Debtors shall, at their election, either consummate the Rights Offering, the New Second Lien Exit Facility, or expand the size of the New First Lien Credit Facility in each case in accordance with the terms of the Plan. The Reorganized Debtors shall fund distributions and satisfy applicable Allowed Claims under the Plan with Cash on hand, including Cash from operations, Cash provided pursuant to the New First Lien Credit Facility, and Cash, if any, obtained from the Rights Offering, the New Second Lien Exit Facility, and/or the Rank Contribution Election.

3. *New First Lien Credit Facility*

On the Effective Date, the Reorganized Debtors shall be authorized to enter into the New First Lien Credit Agreement, which provides for a term loan facility in an aggregate principal amount of up to $100,000,000 (unless the Debtors determine not to commence the Rights Offering or obtain the New Second Lien Exit Facility, in which case the New First Lien Exit Facility shall be in the aggregate principal amount of up to $140,000,000), as well as any notes, documents or agreements delivered in connection therewith, including, without limitation, any documents required in connection with the creation or perfection of liens in connection therewith. The New First Lien Lenders shall have valid, binding and enforceable liens on the collateral specified in the New First Lien Credit Agreement. The guarantees, mortgages, pledges, liens and other security interests granted pursuant to the New First Lien Credit Facility Agreement are granted in good faith as an inducement to the New First Lien Lenders to extend credit thereunder and shall be deemed not to constitute a fraudulent conveyance or fraudulent transfer, shall not otherwise be subject to avoidance, and the priorities of such liens and security interests shall be as set forth in the New First Lien Credit Facility Agreement.

4. *Rights Offering*

At the election of the Debtors, in their sole discretion, the Debtors may commence the Rights Offering in accordance with the terms of the Rights Offering Procedures. Notwithstanding anything in the Plan or the Rights Offering Procedures to the contrary, the Debtors may modify the Rights Offering Procedures or adopt additional procedures prior to consummation of the Rights Offering. The right to participate in the Rights Offering may not be

sold, transferred, or assigned. The closing of the Rights Offering, if any, is conditioned upon consummation of the Plan.

If the Debtors elect to commence and consummate the Rights Offering, the Rights Offering shall be commenced and completed in accordance with the dates set forth in the Rights Offering Procedures

5. ***Eligible Non-Backstop Parties***

If the Debtors elect to commence and consummate the Rights Offering, each Eligible Non-Backstop Party shall be offered the Subscription Rights, pursuant to the Rights Offering Procedures. The Subscription Rights shall entitle each holder thereof to purchase its Non-Backstop Party Pro Rata Share of the Second Lien Rights Offering Facility and its New Warrants Pro Rata Allocation. In accordance with the terms of the Rights Offering Procedures, the Debtors shall deliver an Election Form to each Eligible Non-Backstop Party to determine which such parties desire to participate in the Rights Offering. In order to properly exercise a Subscription Right, each Eligible Non-Backstop Party shall: (i) return a duly completed and signed Election Form to the Subscription Agent so that such form is actually received by such Subscription Agent at or prior to the Election Expiration Time; and (ii) pay to the Subscription Agent (on behalf of the Debtors), at or prior to the Election Expiration Time, Cash in an amount equal to the aggregate Subscription Price for the Second Lien Rights Offering Facility and the New Warrants elected to be purchased by such Holder, which payment shall be made by wire transfer in accordance with the wire instructions set forth on the Election Form. If, prior to the Election Expiration Time, the Subscription Agent for any reason has not received from an Eligible Non-Backstop Party (i) a duly completed and signed Election Form, and (ii) Cash, in an amount equal to such party's aggregate Subscription Price for the Second Lien Rights Offering Facility and the New Warrants elected to be purchased by such party, then such party shall be deemed to have not validly exercised its Subscription Rights and to have relinquished and waived its ability to participate in the Rights Offering

6. ***Backstop Parties***

If the Debtors elect to commence and consummate the Rights Offering, on or prior to the Effective Date, each Backstop Party shall commit to purchase its Backstop Party Pro Rata Share of the Second Lien Rights Offering Facility (the "Backstop Commitment") in accordance with the terms of the Backstop Agreement applicable to such party. In exchange for providing the Backstop Commitment, whether or not it is called upon, each Backstop Party shall receive its Backstop Fee Share of the Backstop Fee, subject to the terms and conditions set forth in the Backstop Agreement.

7. ***Refund of Payments***

If the Debtors elect to commence the Rights Offering, once an eligible Non-Backstop Party has properly exercised its Subscription Rights pursuant to its Election Form, such exercise cannot be revoked, rescinded or annulled for any reason, without the consent of the Debtors. In the event the Debtors revoke, withdraw or fail to consummate the Rights Offering or the Plan, or the conditions precedent to the Effective Date shall not have been satisfied in accordance with

Section 9.1 of the Plan, the Subscription Agent shall, within [●] days of such revocation, withdrawal or failure to consummate the Rights Offering or the Plan return to each party that exercised a Subscription Right or paid its Backstop Commitment any payment made by such party pursuant to the Rights Offering, without interest or deduction.

8. *Rights Offering Proceeds*

If the Debtors elect to commence and consummate the Rights Offering, on or as soon as reasonably practicable following the Effective Date, the proceeds of the Rights Offering shall be used (i) for payment of Allowed Claims and (ii) general corporate purposes.

9. *Distribution of Consideration*

If the Debtors elect to commence and consummate the Rights Offering, on or as soon as reasonably practicable after the Effective Date, the Reorganized Debtors shall distribute the Second Lien Rights Offering Facility and New Warrants in accordance with the terms of the Rights Offering Procedures to (i) the Eligible Non-Backstop Parties that properly exercise their Subscription Rights in accordance with the terms of Rights Offering Procedures and (ii) the Backstop Parties subject to the terms of the Backstop Agreement applicable to such party.

10. *Second Lien Rights Offering Facility*

If the Debtors elect to commence and consummate the Rights Offering, Confirmation of the Plan shall be shall be deemed to constitute approval of the Rights Offering and Second Lien Rights Offering Facility. On the Effective Date, the Reorganized Debtors shall be authorized to enter into the Second Lien Rights Offering Facility Agreement, including any notes, guarantees, documents or agreements delivered, executed, or entered in connection therewith, including, without limitation, any documents required in connection with the creation or perfection of liens in connection therewith. The Second Lien Rights Offering Lenders shall have valid, binding and enforceable liens on the collateral specified in the Second Lien Rights Offering Facility Agreement. The guarantees, mortgages, pledges, liens and other security interests granted pursuant to the Second Lien Rights Offering Facility Agreement are granted in good faith as an inducement to the Second Lien Rights Offering Facility Lenders to extend credit thereunder and shall be deemed not to constitute a fraudulent conveyance or fraudulent transfer, shall not otherwise be subject to avoidance, and the priorities of such liens and security interests shall be as set forth in the Second Lien Rights Offering.

11. *New Warrants*

If the Debtors elect to commence and consummate the Rights Offering, on the Effective Date, the Reorganized Debtors shall be authorized to issue the New Warrants in accordance with the terms of Rights Offering Procedures to (i) the Eligible Non-Backstop Parties that properly exercise their Subscription Rights in accordance with the terms of Rights Offering Procedures and (ii) the Backstop Parties, subject to the terms of the Backstop Agreement applicable to such party. The New Warrants shall entitle the holders thereof to purchase an aggregate of [__]% of the New Common Stock. The exercise price of the New Warrants is $0.01 per share. The principal terms of the New Warrants shall be set forth on the Plan Supplement.

12. ***New Second Lien Exit Facility***

As an alternative to consummating the Rights Offering and issuing the Second Lien Rights Offering Facility and New Warrants, the Debtors may elect, in their sole discretion, for the Reorganized Debtors to enter the New Second Lien Credit Agreement on the Effective Date. If the Debtors elect for the Reorganized Debtors to enter into the New Second Lien Credit Agreement, on the Effective Date, the Reorganized Debtors shall be authorized to enter into the New Second Lien Credit Agreement and shall be authorized to enter into any notes, guarantees, documents or agreements delivered, executed, or entered in connection therewith, including, without limitation, any documents required in connection with the creation or perfection of liens in connection therewith. The New Second Lien Exit Facility Lenders shall have valid, binding and enforceable liens on the collateral specified in the New Second Lien Credit Agreement. The guarantees, mortgages, pledges, liens and other security interests granted pursuant to the New Second Lien Credit Agreement are granted in good faith as an inducement to the New Second Lien Exit Facility Lenders to extend credit thereunder and shall be deemed not to constitute a fraudulent conveyance or fraudulent transfer, shall not otherwise be subject to avoidance, and the priorities of such liens and security interests shall be as set forth in the New Second Lien Credit Agreement.

13. ***Issuance and Distribution of New Securities***

a) Issuance of New Securities

On the Effective Date Reorganized UCI shall issue for distribution in accordance with the terms of the Plan the New Common Stock and, if the Rights Offering is completed, the New Warrants. The New Common Stock and the New Warrants shall be issued with any and all instruments, certificates and other documents required to be issued pursuant to the Plan in order to effect such issuance and distribution without further act or action under applicable law, regulation, order or rule. The issuance and distribution of the New Common Stock and New Warrants, if any, under or in connection with the Plan shall be, and shall be deemed to be, exempt from registration under any applicable federal or state securities laws to the fullest extent permissible under applicable bankruptcy law and non-bankruptcy law, including, without limitation, section 1145(a) of the Bankruptcy Code. In addition, although the Debtors intend that the Litigation Trust Units shall not be "securities" under applicable laws, if such Litigation Trust Units are securities, they shall be exempt from registration under section 1145 of the Bankruptcy Code and under applicable securities laws. Without limiting the effect of section 1145 of the Bankruptcy Code, all documents, agreements and instruments entered into on or as of the Effective Date contemplated by or in furtherance of the Plan shall become effective and binding in accordance with their respective terms and conditions upon the parties thereto.

b) Distribution of New Securities

The New Common Stock and, if the Rights Offering is completed, the New Warrants shall be distributed to the Holders of Allowed Senior Notes Claims and Allowed General Unsecured Claims as provided in Section 3.2.4(c) and Section 3.2.5(b), respectively; provided, however, that distribution of the New Warrants, if any, shall be subject to the terms of any Backstop Agreement applicable to each such Holder and the terms and conditions set forth in

Section 5.4, including the Rights Offering Procedures. Distribution of the New Common Stock and New Warrants, if any, may be made by means of book-entry exchange through the facilities of the DTC in accordance with the customary practices of the DTC, as and to the extent practicable. In connection with such book-entry exchange, the Disbursing Agent(s) shall deliver instructions to the DTC instructing the DTC to effect distributions of New Common Stock and New Warrants as provided under the Plan. In the period pending distribution of the New Common Stock to any Holder of Allowed Senior Notes Claims and Allowed General Unsecured Claim, such Holder shall be entitled to exercise any voting rights and receive any dividends or other distributions payable in respect of such Holder's New Common Stock and to exercise all other rights in respect of the New Common Stock (so that such Holder shall be deemed for tax and all other purposes to be the owner of the New Common Stock).

c) Distribution of Litigation Trust Assets

On the Effective Date, unless the Rank Contribution is made, the Litigation Trust shall be established pursuant to the Litigation Trust Agreement and Article XII of the Plan for the purposes of administering the Litigation Trust Assets and making all distributions on account of Litigation Trust Units as provided for under the Plan.

14. ***Corporate Governance, Directors, Officers and Corporate Action***

a) Certificate of Incorporation; By-Laws; Limited Liability Company Agreements.

On the Effective Date, the Certificate of Incorporation and the By-Laws shall be substantially in the form of Exhibit 1.26 and Exhibit 1.24, respectively, to be included with the Plan Supplement. Consistent with, but only to the extent required by, section 1123(a)(6) of the Bankruptcy Code, on the Effective Date, the Certificate of Incorporation shall be amended to prohibit the issuance of non-voting equity securities. The certificates or articles of incorporation, by-laws, certificates of formation, limited liability company agreements, or similar governing documents, as applicable, of the other Debtors or Reorganized Debtors shall be amended as necessary to satisfy the provisions of the Plan and the Bankruptcy Code. After the Effective Date, the Reorganized Debtors may amend and restate their certificates or articles of incorporation, by-laws, certificates of formation, limited liability company agreements, partnership agreements or similar governing documents, as applicable, as permitted by applicable law.

b) Directors and Officers of Reorganized UCI

Subject to any requirement of Bankruptcy Court approval pursuant to section 1129(a)(5) of the Bankruptcy Code, on the Effective Date, the initial directors and officers of Reorganized UCI shall be the persons identified in Exhibit 5.10.2, to be included with the Plan Supplement. After the Effective Date, the Certificate of Incorporation and the By-Laws, as each may be amended thereafter from time to time, shall govern the designation and election of directors.

c) Directors and Managers or Officers of the Reorganized Debtors Other than Reorganized UCI

Subject to any requirement of Bankruptcy Court approval pursuant to section 1129(a)(5) of the Bankruptcy Code, on the Effective Date, the initial directors and managers or officers of the Reorganized Debtors other than Reorganized UCI shall be the persons identified in Exhibit 5.10.3, to be included with the Plan Supplement. After the Effective Date, the certificates or articles of incorporation, by-laws, certificates of formation, limited liability company agreements, or similar governing documents, as applicable, of the Reorganized Debtors other than Reorganized UCI, as each may be amended thereafter from time to time, shall govern the designation and election of directors

d) Corporate Action

On the Effective Date, (i) the implementation of the Restructuring Transactions, (ii) the selection of directors and officers for Reorganized UCI and each other Reorganized Debtor, (iii) the incurrence of the New First Lien Exit Facility, Second Lien Rights Offering Facility, if any, and New Second Lien Exit Facility, if any, (iv) the issuance and distribution of the New Common Stock and New Warrants, and (v) all other actions contemplated by the Plan shall be deemed authorized and approved in all respects (subject to the provisions of the Plan). All matters provided for in the Plan involving the corporate structure of the Debtors or the Reorganized Debtors, and any corporate action required by the Debtors or the Reorganized Debtors in connection with the Plan, shall be deemed to have timely occurred in accordance with applicable law and shall be in effect, without any requirement of further action by the security holders or directors of the Debtors or the Reorganized Debtors. On and after the Effective Date, the appropriate officers of Reorganized UCI and/or the other Reorganized Debtors and members of the boards of directors or managers of Reorganized UCI and/or the other Reorganized Debtors shall be authorized and directed to issue, execute and deliver the agreements, documents, securities and instruments contemplated by the Plan in the name of and on behalf of Reorganized UCI and/or the other Reorganized Debtors

15. *Restructuring Transactions*

On or after the Effective Date, any Reorganized Debtor may enter into Restructuring Transactions and may take such actions as may be necessary or appropriate to effect such Restructuring Transactions, as may be determined by such Reorganized Debtor to be necessary or appropriate. The actions to effect the Restructuring Transactions may include: (i) the execution and delivery of appropriate agreements or other documents of merger, consolidation, restructuring, disposition, liquidation or dissolution containing terms that are consistent with the terms herein and that satisfy the applicable requirements of applicable law and such other terms to which the applicable entities may agree; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, duty or obligation on terms consistent with the terms herein and having such other terms to which the applicable entities may agree; (iii) the filing of appropriate certificates or articles of merger, consolidation or dissolution pursuant to applicable law; and (iv) all other actions which the applicable entities may determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law in connection with such transactions. The Restructuring Transactions may include one or more mergers, consolidations, restructures, dispositions, liquidations or dissolutions, as may be determined by the Reorganized Debtors to

be necessary or appropriate to result in substantially all of the respective assets, properties, rights, liabilities, duties and obligations of all or certain of the Reorganized Debtors vesting in one or more surviving, resulting or acquiring corporations. In each case in which the surviving, resulting or acquiring corporation in any such transaction is a successor to a Reorganized Debtor, such surviving, resulting or acquiring corporation will perform the obligations of the applicable Reorganized Debtor pursuant to the Plan to pay or otherwise satisfy the Allowed Claims against such Reorganized Debtor, except as provided in any contract, instrument or other agreement or document effecting a disposition to such surviving, resulting or acquiring corporation, which may provide that another Reorganized Debtor will perform such obligations. On or prior to, or as soon as practicable after, the Effective Date, the Debtors or the Reorganized Debtors may take such steps as may be necessary or appropriate to effectuate Restructuring Transactions that satisfy the requirements set forth in Section 5.7 of the Plan. The Restructuring Transactions shall be authorized and approved by the Confirmation Order pursuant to, among other provisions, sections 1123 and 1141 of the Bankruptcy Code and section 303 of Title 8 of the Delaware Code, without any further notice, action, third-party consents, court order or process of any kind.

16. ***Continued Corporate Existence and Vesting of Assets in the Reorganized Debtors***

On and after the Effective Date, after giving effect to each of the Restructuring Transactions contemplated under the Plan, each of the Reorganized Debtors shall continue to exist as separate entities in accordance with the applicable law in the respective jurisdiction in which they are formed and pursuant to their respective certificates or articles of incorporation (or similar organizational documents) and by-laws in effect prior to the Effective Date, except to the extent such certificates or articles of incorporation (or similar organizational documents) and by-laws are to be amended and/or restated pursuant to the terms of the Plan. Notwithstanding anything to the contrary in the Plan, the Reinstated Claims against and Interests in a particular Debtor or Reorganized Debtor shall remain the obligations solely of such Debtor or Reorganized Debtor following the Effective Date and shall not become obligations of any other Debtor or Reorganized Debtor by virtue of the Plan, the Chapter 11 Cases, or otherwise. Pursuant to section 1141(b) of the Bankruptcy Code, except as otherwise provided under the Plan (including as specifically contemplated by the Restructuring Transactions), all property of the respective Estate of each Debtor, including all claims, rights and causes of action and any property acquired by the Debtors or the Reorganized Debtors under or in connection with the Plan, together with any property of each Debtor that is not property of its Estate and that is not specifically disposed of pursuant to the Plan, shall revest in the applicable Reorganized Debtor on the Effective Date free and clear of all Claims, Liens, charges, other encumbrances and Interests. Thereafter, the Reorganized Debtors may operate their businesses and may use, acquire and dispose of property free of any restrictions of the Bankruptcy Code and the Bankruptcy Rules. As of the Effective Date, all property of each Reorganized Debtor shall be free and clear of all Liens and non-Reinstated Claims and Interests, except as specifically provided in the Plan or the Confirmation Order

17. ***Cancellation of Certain Credit and Debt Documents***

On the Effective Date, in consideration for the distributions to be made on the Effective Date pursuant to the Plan and except as otherwise provided herein, all (a) Prepetition ABL Credit Facility Documents, Senior Unsecured Notes, and any other instruments, documents, plans or agreements evidencing or creating any indebtedness or obligations of a Debtor related thereto shall be cancelled, and (b) the obligations of any of the Debtors under any Prepetition ABL Credit Facility Documents, Senior Unsecured Notes, or any other agreements evidencing or creating any indebtedness or obligations of a Debtor that relate to Claims or Interests related thereto shall be discharged pursuant to Section 10.2 of the Plan.

18. *Cancellation of Liens*

Except as otherwise provided in the Plan, on the Effective Date, in consideration for the distributions to be made on the Effective Date pursuant to the Plan, all Liens, charges, encumbrances and rights related to any Claim or Interest, including, without limitation, those existing under the Prepetition ABL Credit Facility Documents, but excluding any Lien securing an Other Secured Claim that is Reinstated pursuant to the Plan, shall be terminated, null and void and of no effect. The Holders of Secured Claims (other than Other Secured Claims that are Reinstated pursuant to the Plan) shall be authorized and directed to release any collateral or other property of any Debtor (including any Cash collateral) held by such Holder and to take such actions as may be requested by the Debtors (or the Reorganized Debtors, as the case may be) to evidence the release of any Liens, including the execution, delivery, and filing or recording of such release documents as may be requested by the Debtors (or the Reorganized Debtors, as the case may be).

19. *Preservation of Rights of Action and Settlement of Ordinary Litigation Claims*

Except as otherwise provided in the Plan, the Confirmation Order, or in any document, instrument, release or other agreement entered into in connection with the Plan, in accordance with section 1123(b)(3)(B) of the Bankruptcy Code, the Debtors and their Estates shall retain the Ordinary Litigation Claims. The Reorganized Debtors, as the successors in interest to the Debtors and the Estates, may enforce, sue on, settle or compromise (or decline to do any of the foregoing) any or all of the Ordinary Litigation Claims or any other claims, rights of action, suits or proceedings that any Debtor or Estate may hold against any Person.

20. *Registration of New Common Stock*

On the Effective Date, the New Common Stock and New Warrants shall not be listed for public trading on any securities exchange, the Reorganized Debtors will not be reporting companies under the Securities Exchange Act of 1934, and the Reorganized Debtors shall not be required to file reports with the SEC or any other governmental entity

21. *Rank Contribution Election and Treatment of Pension Plans*

Section 5.6 of the Plan describes the Rank Contribution. Pursuant to the Rank Contribution, Rank, on behalf of itself and each other member of the Rank Group, will have the option to elect (a) enter into an Acceptable Settlement with the Debtors and the Creditors'

Committee, including an agreed-upon exchange of Cash and non-Cash consideration, which shall be approved in conjunction with the Plan or, if Rank, the Debtors, and the Creditors' Committee otherwise mutually agree, subject to approval of the Bankruptcy Court under Bankruptcy Rule 9019, and (b) become the sponsor of the Pension Plans upon consummation of the Plan.

If the Rank Contribution Election is made:

a. The Debtors shall seek approval of the Acceptable Settlement (i) as mutually agreed by the parties, under Bankruptcy Rule 9019, with a hearing to be held on or prior to the Confirmation Date, or (ii) otherwise pursuant to the Plan,

b. Each member of the Rank Group and each of their Related Parties shall receive releases under the Plan to the extent permitted by applicable law, which releases shall be (i) in addition to any releases contained in the Acceptable Settlement and (ii) set forth in Exhibit 5.6.2 to be filed with the Plan Supplement,

c. Each member of the Rank Group and each of their Related Parties shall provide the Debtors and each of their Related Parties releases under the Plan to the extent permitted by applicable law, which releases shall be set forth in Exhibit 5.6.2 to be filed with the Plan Supplement, and

d. If not previously Allowed, Rank Finance's Prepetition ABL Credit Facility Claim shall be Allowed as of the Effective Date (and thus rendered Unimpaired).

e. Each Debtor that is a sponsor of the Pension Plans shall resign as a sponsor of the Pension Plans, and the Debtors, Reorganized Debtors, and their respective subsidiaries shall be released from any liability on account of the Pension Plans in a manner satisfactory to the Debtors, or, in the absence of a release, Rank or another member of the Rank Group will indemnify the Reorganized Debtors and their subsidiaries for any liability on account of the Pension Plans under a control group theory or otherwise, which indemnity shall be satisfactory in form and substance to the Debtors, and

f. The Litigation Trust shall not be established and the Litigation Trust Agreement and Article XII of the Plan shall be deemed null and void

If the Rank Contribution Election is not made, (i) the Debtors or the Reorganized Debtors, as applicable, shall seek to terminate the Pension Plans and any resulting termination liability shall be treated as a Class E General Unsecured Claim and (ii) Claims against each member of the Rank Group and each of their Related Persons shall be contributed to the Litigation Trust.

22. *Additional Transactions Authorized Under the Plan*

On or prior to the Effective Date, the Debtors shall be authorized to take any such actions as may be necessary or appropriate to Reinstate Claims or Interests or render Claims or Interests not Impaired, as provided for under the Plan.

G. PROVISIONS GOVERNING DISTRIBUTIONS UNDER THE PLAN

THE FOLLOWING IS A SUMMARY OF THE PROVISIONS GOVERNING DISTRIBUTIONS UNDER THE PLAN AND IS QUALIFIED IN ITS ENTIRETY BY THE TERMS OF THE PLAN.

1. *Distributions on Account of Claims Allowed as of the Effective Date*

Unless the Holder of an Allowed Claim and the Debtors or the Reorganized Debtors agree to a different Distribution Date and except as otherwise provided herein or as ordered by the Bankruptcy Court, Distributions to be made on account of Claims that are Allowed as of the Effective Date shall be made on the Initial Distribution Date or as soon thereafter as is practicable. Any payment or distribution required to be made under the Plan on a day other than a Business Day shall be made on the next succeeding Business Day.

2. *Distributions on Account of Claims that Become Allowed after the Effective Date*

Unless the Holder of a Claim that becomes an Allowed Claim after the Effective Date and the Reorganized Debtors agree to a different Distribution Date and except as otherwise provided herein or as ordered by the Bankruptcy Court, Distributions on account of Claims that become Allowed Claims after the Effective Date shall be made on the succeeding Quarterly Distribution Date after such Claim becomes Allowed.

3. *Interest on Claims*

Except as otherwise specifically provided for in the Plan, the Confirmation Order or other order of the Bankruptcy Court, or required by applicable bankruptcy or non-bankruptcy law, post-petition interest shall not accrue or be paid on any Claims (other than Secured Claims), and no Holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any Claim (other than the Secured Claims).

4. *Distributions by Disbursing Agent(s)*

Other than as specifically set forth in the Plan, the Disbursing Agent(s) shall make all distributions required to be made under the Plan. The Reorganized Debtors may act as Disbursing Agent or may employ or contract with other Entities to assist in or make the distributions required by the Plan.

5. *Delivery of Distributions and Undeliverable or Unclaimed Distributions*

The following terms shall govern the delivery of distributions and undeliverable or unclaimed distributions with respect to Claims.

a) Delivery of Distributions in General. Distributions to Holders of Allowed Claims shall be made at the addresses set forth in the Debtors' records.

b) Delivery of Distributions to Holders of Prepetition ABL Credit Facility Claims and Holders of Senior Notes Claims. Other than as specifically set forth in the

Plan, (i) distributions made on account of Allowed Prepetition ABL Credit Facility Claims shall be made by the Disbursing Agent to the Prepetition Administrative Agent for further distribution to the Holders of such Claims in accordance with the terms of the Prepetition ABL Credit Facility Agreement and (ii) distributions made on account of Allowed Senior Notes Claims shall be made by the Disbursing Agent to the Senior Unsecured Notes Indenture Trustee for further distribution to the Holders of such Claims in accordance with the terms of the Senior Unsecured Notes Indenture.

c) Undeliverable and Unclaimed Distributions.

(1) Holding and Investment of Undeliverable and Unclaimed Distributions. If the distribution to any Holder of an Allowed Claim is returned to the Reorganized Debtors or the Disbursing Agent(s) as undeliverable or is otherwise unclaimed, no further distributions shall be made to such Holder unless and until the Reorganized Debtors or the Disbursing Agent(s) are notified in writing of such Holder's then-current address.

(2) Non-Negotiated Check Distributions. Checks issued on account of Allowed Claims shall be null and void if not negotiated within ninety (90) calendar days from and after the date of issuance thereof. Requests for reissuance of any check must be made directly and in writing to the Disbursing Agent by the Holder of the relevant Allowed Claim within the 90-calendar-day period. After such date, such Allowed Claim (and any Claim for reissuance of the original check) shall be automatically discharged and forever barred, and such funds shall revert to the Reorganized Debtors, notwithstanding any federal or state escheat laws to the contrary.

(3) Failure to Claim Undeliverable Distributions. Any Holder of an Allowed Claim that does not assert a claim pursuant to the Plan for an undeliverable or unclaimed distribution within one (1) year after the Effective 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 or their Estates or the Reorganized Debtors or their property. In such cases, any Cash for distribution on account of such claims for undeliverable or unclaimed distributions shall become the property of the Estates and the Reorganized Debtors free of any restrictions thereon and notwithstanding any federal or state escheat laws to the contrary. Any New Common Stock held for distribution on account of such Claim shall be canceled and of no further force or effect. Nothing contained in the Plan shall require any Disbursing Agent, including, but not limited to, any of the Reorganized Debtors, to attempt to locate any Holder of an Allowed Claim.

6. ***Record Date for Distributions***

The Reorganized Debtors and the Disbursing Agent(s) will have no obligation to but may, in their sole and absolute discretion, recognize the transfer of, or the 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 that are Holders of such Claims, or participants therein, as of the close of business on the Distribution Record Date.

7. *Allocation of Plan Distributions Between Principal and Interest*

To the extent that any Allowed Claim entitled to a distribution under the Plan is comprised 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 that the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest

8. *Means of Cash Payment*

Payments of Cash 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 Reorganized Debtors, by (a) checks drawn on or (b) wire transfers from a bank selected by the Reorganized Debtors. Cash payments to foreign creditors may be made, at the option of the Reorganized Debtors, in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

9. *Withholding and Reporting Requirements*

In connection with the Plan and all distributions thereunder, the Reorganized Debtors shall comply with all withholding and reporting requirements imposed by any federal, state, local or foreign taxing authority, and all distributions hereunder shall be subject to any such withholding and reporting requirements. The Reorganized Debtors shall be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements. All persons holding Claims or Interests shall be required to provide any information necessary to effect information reporting and the withholding of such taxes. Each Holder of an Allowed Claim that is to receive a distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding and other tax obligations, on account of such distribution. No distribution shall be made to or on behalf of such Holder pursuant to the Plan unless and until such Holder has made arrangements satisfactory to the Reorganized Debtors for the payment and satisfaction of such tax obligations.

10. *Setoff and Recoupment*

The Reorganized Debtors may, pursuant to sections 553 and/or 558 of the Bankruptcy Code or applicable non-bankruptcy laws, but shall not be required to, set off and/or recoup against any Claim the payments or other distributions to be made pursuant to the Plan in respect of such Claim, or claims of any nature whatsoever that any of the Debtors or the Reorganized Debtors may have against the Holder of such Claim; provided, however, that neither the failure to assert such rights of setoff and/or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release by any of the Reorganized Debtors of any claim that any of the Debtors or the Reorganized Debtors may assert against any Holder of an Allowed Claim.

11. *Fractional Securities*

No fractional securities shall be distributed. Where a fractional security would otherwise be called for, the actual issuance shall reflect a rounding up (in the case of more than .50) of such fraction to the nearest whole share of New Common Stock (or whole warrant, in the case of New Warrants), or a rounding down of such fraction (in the case of .50 or less than .50) to the nearest whole share of New Common Stock (or whole warrant, in the case of New Warrants). The total number of shares of New Common Stock and the total number of New Warrants to be distributed pursuant to the Plan shall be adjusted as necessary to account for the rounding provided for herein.

12. *De Minimis Distributions*

No distribution shall be made by the Disbursing Agent on account of an Allowed Claim if the amount to be distributed to the specific Holder of an Allowed Claim on the applicable Distribution Date has an economic value of less than $25.

H. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

THE FOLLOWING IS A SUMMARY OF THE PROVISIONS GOVERNING THE TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES UNDER THE PLAN AND IS QUALIFIED IN ITS ENTIRETY BY THE TERMS OF THE PLAN.

1. *Assumption of Executory Contracts and Unexpired Leases*

On the Effective Date, all executory contracts or unexpired leases of the Debtors will be deemed assumed in accordance with, and subject to, the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, unless such executory contract or unexpired lease (i) was previously assumed or rejected by the relevant Debtor(s) or (ii) previously expired or terminated pursuant to its own terms; provided, however, that, notwithstanding any such assumption, the A&R Letter Agreement and Letter Agreement Order shall each remain in full force and effect, and no party's rights under any agreement affected by either the A&R Letter Agreement or Letter Agreement Order shall be expanded or reduced by the Plan or the Confirmation Order. Entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such assumptions pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Each executory contract and unexpired lease assumed pursuant to Article VI of the Plan shall revest in and be fully enforceable by the respective Reorganized Debtor in accordance with its terms, except as modified by the provisions of the Plan, or any order of the Bankruptcy Court authorizing and providing for its assumption.

2. *Cure of Defaults Under Assumed Executory Contracts and Unexpired Leases*

Any monetary amounts by which each executory contract and unexpired lease to be assumed is in default shall be satisfied, pursuant to section 365(b)(l) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date or on such other terms as the parties to each such executory contract or unexpired lease may otherwise agree. In the event of a dispute regarding (a) the amount of any cure payments, (b) the ability of the Reorganized

Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed or (c) any other matter pertaining to assumption, the cure payments required by section 365(b)(l) of the Bankruptcy Code shall be made following the entry of a Final Order resolving the dispute and approving the assumption. Pending the Bankruptcy Court's ruling on such motion, the executory contract or unexpired lease at issue shall be deemed assumed by the relevant Debtor unless otherwise ordered by the Bankruptcy Court.

3. *Assumption of Collective Bargaining Agreements*

All Collective Bargaining Agreements shall be deemed to have been assumed by the applicable Debtor(s) party thereto upon the occurrence of the Effective Date. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the pertinent Reorganized Debtor's assumption of each Collective Bargaining Agreement to which it is a party for the remaining term of agreement of each such Collective Bargaining Agreement as in effect on the Effective Date, except to the extent that such agreements have already been assumed prior to the Effective Date.

4. *Insurance Policies and Agreements*

Insurance policies issued to, or insurance agreements entered into by, the Debtors prior to the Petition Date (including, without limitation, any policies covering directors' or officers' conduct) shall continue in effect after the Effective Date. To the extent that such insurance policies or agreements are considered to be executory contracts, the Plan shall constitute a motion to assume or ratify such insurance policies and agreements, and, subject to the occurrence of the Effective Date, the entry of the Confirmation Order shall constitute approval of such assumption pursuant to section 365(a) of the Bankruptcy Code and a finding by the Bankruptcy Court that each such assumption is in the best interest of each Debtor and its Estate. Unless otherwise determined by the Bankruptcy Court pursuant to a Final Order or agreed to by the parties thereto prior to the Effective Date, no payments shall be required to cure any defaults of the Debtors existing as of the Confirmation Date with respect to each such insurance policy.

5. *Management Equity Incentive Plan*

On or after the Effective Date, the new board of directors of Reorganized UCI shall adopt and implement the Management Equity Incentive Plan, the principal terms of which are set forth on Exhibit 6.5, to be filed with the Plan Supplement.

6. *Employee Compensation and Benefit Plans*

From and after the Effective Date, each of the Reorganized Debtors shall continue to perform its obligations (whether statutory or contractual) under all employment and severance contracts and all Employee Benefit Plans applicable to its employees, retirees and non-employee directors, including, without limitation, the payment of all retiree benefits, as that term is defined in section 1114 of the Bankruptcy Code, that such Reorganized Debtor had the obligation to pay and was paying prior to the Petition Date, at the level established pursuant to subsection (e)(1)(B) or (g) of section 1114 of the Bankruptcy Code at any time prior to the Confirmation Date, for the duration of the period (if any) that the applicable Reorganized

Debtor(s) are obligated to provide such benefits. For the avoidance of doubt, Employee Benefits Plans include the Debtors' individual employee retention agreements. The Pension Plans shall be treated as set forth in Section 5.6 of the Plan.

7. *Post-Petition Contracts and Leases*

All contracts, agreements and leases that were entered into by the Debtors or assumed by the Debtors after the Petition Date shall be deemed assigned by the Debtors to the Reorganized Debtors on the Effective Date.

I. PROCEDURES FOR RESOLVING DISPUTED CLAIMS

THE FOLLOWING IS A SUMMARY OF THE PROVISIONS FOR TREATMENT OF DISPUTED CLAIMS AND DISPUTED INTERESTS UNDER THE PLAN AND IS QUALIFIED IN ITS ENTIRETY BY THE TERMS OF THE PLAN.

1. *Objection To and Estimation of Claims*

After the Effective Date, only the Reorganized Debtors and, solely to the extent provided in the Plan, the Litigation Trustee on behalf of the Litigation Trust, may object to the allowance of any Claim or Administrative Expense Claim. After the Effective Date, the Reorganized Debtors or the Litigation Trustee shall be accorded the power and authority to allow or settle and compromise any Claim without notice to any other party, or approval of, or notice to the Bankruptcy Court and the Litigation Trustee on behalf of the Litigation Trust shall have the power and authority to allow or settle and compromise Claims as provided in Article XII. In addition, the Debtors or the Reorganized Debtors and, solely to the extent provided in the Plan, the Litigation Trustee on behalf of the Litigation Trust, may, at any time, request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether the Debtors, Reorganized Debtors or Litigation Trustee have previously objected to such Claim.

2. *No Distributions Pending Allowance*

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.

3. *Distributions on Account of Disputed Claims Once They Are Allowed*

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions (if any) shall be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Disbursing Agent(s) shall provide to the Holder of such Claim the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, without any post-Effective Date interest to be paid on account of such Claim.

4. *Reinstated Claims and Interest*

Notwithstanding anything contained herein to the contrary, nothing shall affect, diminish or impair the Debtors' or the Reorganized Debtors' rights and defenses, both legal and equitable, with respect to any Reinstated Claim or Interest, including, but not limited to, legal and equitable rights of setoff and/or recoupment against the Holders of any Reinstated Claims

5. *Disputed Claims Reserve(s).*

a) Administrative Expense Reserve(s). On or as soon as reasonably practicable after the Effective Date, the Reorganized Debtors shall create the Administrative Expense Reserve(s). The amount of Cash contributed by the Reorganized Debtors to the Administrative Expense Reserve(s) shall be the amount equal to the Reorganized Debtors' reasonable estimate of Cash required to satisfy distributions to Holders of Disputed Administrative Expense Claims and Holders of Allowed Administrative Claims that are not due and payable on the Effective Date. In the event a Disputed Administrative Expense Claim becomes an Allowed Claim after the Effective Date or an Allowed Administrative Claim becomes due and payable following the Effective Date, the Disbursing Agent shall, out of the Administrative Expense Reserve(s), distribute to the Holder thereof the distribution, if any, to which such Holder is entitled in accordance with Article VII of the Plan. After all Administrative Expense Claims have become either Allowed Claims or Disallowed Claims and all distributions to which such Holders are entitled have been made in accordance with Article VII of the Plan, the Disbursing Agent shall, at the direction of the Reorganized Debtors, distribute any Cash remaining in the Administrative Expense Reserve(s) to the Reorganized Debtors.

b) Prepetition ABL Credit Facility Claim Reserve. On or as soon as soon as reasonably practicable after the Initial Distribution Date, the Reorganized Debtors shall establish the Prepetition ABL Credit Facility Claim Reserve; provided, however, that the Prepetition ABL Credit Facility Claim Reserve shall be established only if one or more Prepetition ABL Credit Facility Claims are not Allowed on the Effective Date. The amount of Cash contributed by the Reorganized Debtors to the Prepetition ABL Credit Facility Reserve shall be equal to the aggregate principal amount outstanding under the Prepetition ABL Credit Facility as of the Effective Date, which amount shall be $69,400,000, plus any accrued but unpaid interest thereon payable at the default interest rate under the Prepetition ABL Credit Facility Agreement through the Effective Date, minus the aggregate amount of Allowed Prepetition ABL Credit Facility Claims as of the Effective Date. In the event a Disputed Prepetition ABL Credit Facility Claim becomes an Allowed Claim after the Effective Date, the Disbursing Agent will, out of the Prepetition ABL Credit Facility Claim Reserve, distribute to the Holder thereof the distribution to which such Holder is entitled pursuant to the Plan in accordance with Article VII of the Plan. After all Disputed Prepetition ABL Credit Facility Claims have become either Allowed Claims or Disallowed Claims and all distributions to which the Holders thereof are entitled pursuant to the Plan have been made in accordance with Article VII of the Plan, the Disbursing Agent shall, at the direction of the Reorganized Debtors, distribute any Cash remaining in the Prepetition ABL Credit Facility Claim Reserve to the Reorganized Debtors.

c) Disputed Unsecured Claims Reserve(s). On or as soon as reasonably practicable after the Initial Distribution Date, the Reorganized Debtors shall establish the Disputed Unsecured Claims Reserve(s) to make distributions to the Holders of Disputed General Unsecured Claims that become Allowed Claims after the Effective Date. The amount of Cash, New Common Stock, and Litigation Trust Units contributed to the Disputed Unsecured Claims Reserve(s) shall be equal to the Reorganized Debtors' reasonable estimate of the sum of (i) the amount of New Common Stock and Litigation Trust Units that would have been distributed to the Holders of Disputed General Unsecured Claims electing to receive the treatment set forth in Section 3.2.5(b)(i) of the Plan if such Disputed Claims had been Allowed on the Effective Date and (ii) the amount of Cash that would have been distributed to the Holders of eligible Disputed General Unsecured Claims electing to receive the treatment set forth in Section 3.2.5(b)(ii) of the Plan if such Disputed Claims had been Allowed on the Effective Date. In the event a Disputed General Unsecured Claim becomes an Allowed Claim after the Effective Date, the Disbursing Agent will, out of the Disputed Unsecured Claims Reserve(s), distribute to the Holder thereof the distribution, if any, to which such Holder is entitled in accordance with Article VII of the Plan. After all Disputed General Unsecured Claims have become either Allowed Claims or Disallowed Claims and all distributions to which such Holders are entitled have been made in accordance with Article VII of the Plan, the Disbursing Agent shall, at the direction of the Reorganized Debtors (i) distribute any Cash remaining in the Disputed Unsecured Claims Reserve(s) to the Reorganized Debtors and (ii) cancel any New Common Stock and Litigation Trust Units remaining in the Disputed Unsecured Claims Reserve(s).

J. LITIGATION TRUST

THE FOLLOWING IS A SUMMARY OF THE PROVISIONS FOR TREATMENT OF DISPUTED CLAIMS AND DISPUTED INTERESTS UNDER THE PLAN AND IS QUALIFIED IN ITS ENTIRETY BY THE TERMS OF THE PLAN

1. *Establishment of the Litigation Trust*

The Litigation Trust is intended to qualify as a liquidating trust pursuant to Regulations section 301.7701-4(d). Except as expressly provided in Section 12.5 of the Plan with respect to

the Litigation Trust Initial Funding, none of the Debtors or the Reorganized Debtors shall have any liability for any cost or expense of the Litigation Trust. In the event of any conflict between the terms of Article XII of the Plan and the term of the Litigation Trust Agreement, the terms of the Litigation Trust Agreement shall control.

2. ***Litigation Trust Assets***

a. On the Effective Date, in accordance with Section 1141 of the Bankruptcy Code, all of the Litigation Trust Assets, as well as the rights and powers of the Debtors' Estates applicable to the Litigation Trust Assets, shall automatically vest in the Litigation Trust, free and clear of all Claims and Interests for the benefit of the Litigation Trust Beneficiaries. For the avoidance of doubt, (i) in no event shall the term "Litigation Trust Assets" be deemed to include any Released Claims against any Released Parties, and (ii) the Litigation Trust shall not have the right to assert any Released Claims against any Released Parties.

b. The transfer of each of the Litigation Trust Assets to the Litigation Trust shall be treated for U.S. federal income tax purposes as a transfer of the Litigation Trust Assets (other than the amounts set aside in the LT Reserves if the LT Reserves are subject to an entity level tax) to the Litigation Trust Beneficiaries, followed by a transfer of the Litigation Trust Assets by the Litigation Trust Beneficiaries to the Litigation Trust. For federal income tax purposes, the Litigation Trust Beneficiaries will be treated as grantors, deemed owners and beneficiaries of the Litigation Trust. Prior to the Effective Date, the Debtors will determine an initial estimated fair market value of the Litigation Trust Assets to be transferred to the Litigation Trust. The Debtors may, at their option, retain a valuation expert to assist in determining an estimated initial estimated fair market value of the Litigation Trust Assets. Promptly after the Effective Date, the Debtors will determine and file with the Bankruptcy Court the final fair market value as of the Effective Date of all Litigation Trust Assets transferred to the Litigation Trust, giving due regard to the initial estimated valuation of such Litigation Trust Assets. The determination of the fair market value as of the Effective Date of all Litigation Trust Assets transferred to the Litigation Trust shall be used consistently by the Litigation Trust, the Litigation Trustee, and the Litigation Trust Beneficiaries for all U.S. federal income tax purposes, including for determining tax basis and gain or loss. The Litigation Trustee shall file federal income tax returns for the Litigation Trust as a grantor trust in accordance with United States Treasury Regulation Section 1.671-4 and report, but not pay tax on, the Litigation Trust's tax items of income, gain, loss, deductions and credits ("LT Tax Items"). The holders of Litigation Trust Units shall report such LT Tax Items on their federal income tax returns and pay any resulting federal income tax liability. Upon the transfer of the Litigation Trust Assets, the Litigation Trust shall succeed to all of the applicable Estates' rights, title and interest in the Litigation Trust Assets and the Debtors shall have no further interest in or with respect to the Litigation Trust Assets.

c. The Litigation Trustee may establish one or more LT Reserves on account of Disputed Claims the Holders of which would be entitled to Litigation Trust Units were such Disputed Claims ultimately Allowed. The amount held back in the LT Reserve(s) shall be equal to the amount necessary to satisfy the distributions to which the Holders of the relevant Disputed Claims would be entitled if all such Disputed Claims were to be subsequently Allowed. The Litigation Trustee may, for U.S. federal income tax purposes (and, to the extent permitted by law, for state and local income tax purposes), (i) make an election pursuant to Treasury Regulation section 1.468B-9 to treat the LT Reserve(s) as a "disputed ownership fund" within the meaning of that section, (ii) allocate taxable income or loss to the LT Reserve(s), with respect to any given taxable year (but only for the portion of the taxable year with respect to which such Claims are Disputed Claims), and (iii) distribute assets from the LT Reserve(s) as, when, and to the extent, such Disputed Claims either become Allowed or are otherwise resolved. The Litigation Trust Beneficiaries shall be bound by such election, if made by the Litigation Trustee, in consultation with the Litigation Trust Oversight Committee, and as such shall, for U.S. federal income tax purposes (and, to the extent permitted by law, for state and local income tax purposes), report consistently therewith.

d. The Litigation Trust, acting through the Litigation Trustee, shall be authorized to exercise and perform the rights, powers, and duties held by the Estate with respect to the Litigation Trust Assets, including, without limitation, the authority under Section 1123(b)(3) of the Bankruptcy Code, and shall be deemed to be acting in the capacity of a bankruptcy trustee, receiver, liquidator, conservator, rehabilitator, creditors' committee or any similar official who has been appointed to take control of, supervise, manage or liquidate the Debtors, to provide for the prosecution, settlement, adjustment, retention, and enforcement of the Litigation Trust Assets. Notwithstanding anything to the contrary herein or in the Confirmation Order, certain acts of or by the Litigation Trust or the Litigation Trustee are and shall remain subject to the consent of the Litigation Trust Oversight Committee pursuant to the terms of the Litigation Trust Agreement.

3. ***Litigation Trustee***

a. The Litigation Trust shall be managed and operated by the Litigation Trustee. The Litigation Trustee shall be appointed by the Litigation Trust Oversight Committee on the Effective Date, or as soon as practicable thereafter. The Litigation Trust Oversight Committee shall have the functions, duties and rights provided in the Litigation Trust Agreement. Each member of the Litigation Trust Oversight Committee, including any designee, will be identified in the Plan Supplement. The members of the Litigation Trust Oversight Committee shall be compensated as set forth in the Litigation Trust Agreement.

b. The responsibilities of the Litigation Trustee shall include, but shall not be limited to: (a) prosecuting through judgment and/or settling the Litigation Trust Assets and any defense asserted by the Litigation Trust in connection with any counterclaim or cross claim asserted against the Litigation Trust; (b) at least annually, calculating and making distributions required under the Plan to be made from the Litigation Trust Assets; (c) filing all required tax returns, and paying obligations on behalf of the Litigation Trust from the Litigation Trust Assets; (d) otherwise administering the Litigation Trust; (e) filing quarterly reports with the Bankruptcy Court (and serving the same upon counsel for the Reorganized Debtors), and providing annual reports to the Litigation Trust Beneficiaries, with respect to (i) the prosecution and resolution of the Litigation Trust Assets and (ii) expenditures, receipts, and distributions of the Litigation Trust; and (f) such other responsibilities as may be vested in the Litigation Trustee pursuant to the Litigation Trust Agreement, the Confirmation Order, or as may be necessary and proper to carry out the provisions of the Plan relating to the Litigation Trust. The Litigation Trustee shall maintain good and sufficient books and records of account relating to the Litigation Trust Assets, the management thereof, all transactions undertaken by the Litigation Trustee, all expenses incurred by or on behalf of the Litigation Trustee, and all distributions to Litigation Trust Beneficiaries contemplated or effectuated under the Plan. The Litigation Trustee shall have fiduciary duties to the Litigation Trust Beneficiaries consistent with the fiduciary duties that a member of an official committee of creditors appointed pursuant to section 1102 of the Bankruptcy Code has to the creditor constituents represented by such committee and shall exercise his, her or its responsibilities accordingly; provided, that the Litigation Trustee shall not owe fiduciary obligations to any defendants of Preserved Causes of Action in their capacities as such, it being the intent of such fiduciary duties to ensure that the Litigation Trustee's obligations are to maximize the value of the Litigation Trust Assets, including the Preserved Causes of Action.

c. The Litigation Trustee upon the written consent of the Litigation Trust Oversight Committee may, without any further approval from the Bankruptcy Court: (a) invest the Litigation Trust Assets in short term certificates of deposit, in banks or other savings institutions, or other temporary, liquid investments, such as treasury bills, and withdraw funds of the Litigation Trust, make distributions, incur obligations for reasonable and necessary expenses in liquidating and converting the Litigation Trust Assets to Cash, and pay taxes and other obligations owed by the Litigation Trust from funds held by the Litigation Trustee in accordance with the Plan; (b) evaluate and determine strategy with respect to the Litigation Trust Assets, and to prosecute, compromise, release, abandon and/or settle the Litigation Trust Assets on behalf of the Litigation Trust; provided, however, that Bankruptcy Court authority must be obtained to settle, dispose of or abandon any affirmative Preserved Causes of Action where the stated face amount in controversy exceeds $5,000,000; (c) liquidate any remaining Litigation Trust Assets, and provide for the distributions therefrom in accordance with the provisions of the Plan; (d) otherwise administer the Litigation Trust; and (e) exercise such other powers and authority as may be vested in or assumed by the Litigation Trustee by any Final Order, or as may be necessary and proper to carry out the provisions of the Plan relating to the Litigation Trust; provided that in no event shall the Litigation Trustee be authorized to take any action to pursue any Released Claims. The Litigation Trustee, on behalf of the Litigation Trust and upon the prior written consent of the Litigation Trust Oversight Committee, may pursue, not pursue, and/or settle any and all Litigation Trust Assets, and the Litigation Trustee shall have no liability whatsoever for the outcome of that decision, except in the event that there is a Final Order determining that the Litigation Trustee committed fraud, self-dealing, intentional misrepresentation, gross negligence, or willful misconduct. In connection with the administration of the Litigation Trust, the Litigation Trustee is authorized to perform any and all acts necessary and desirable to accomplish the purposes of the provisions of the Plan relating to the Litigation Trust, within the bounds of the Plan and applicable law.

d. Upon the prior written consent of the Litigation Trust Oversight Committee, the Litigation Trustee may, without further order of the Bankruptcy Court, employ various professionals, including, but not limited to, counsel, consultants, and financial advisors, as needed to assist her or him in fulfilling her or his obligations under the Litigation Trust Agreement and the Plan, and on whatever fee arrangement she or he deems appropriate, including, without limitation, contingency fee arrangements. Professionals engaged by the Litigation Trustee shall not be required to file applications in order to receive compensation for services rendered and reimbursement of actual out-of-pocket expenses incurred. All such compensation and reimbursement shall be paid from the Litigation Trust with Litigation Trust Assets or the Litigation Trust Initial Funding. The Reorganized Debtors shall have no liability therefor, except for the providing the Litigation Trust Initial Funding pursuant to Section 12.5 of the Plan, and the Litigation Trust Beneficiaries shall have no liability therefor.

e. In addition to reimbursement for actual out-of-pocket expenses incurred by the Litigation Trustee, the Litigation Trustee shall be entitled to receive reasonable compensation for services rendered on behalf of the Litigation Trust on terms to be set forth in the Litigation Trust Agreement. All such compensation and reimbursement shall be paid from the Litigation Trust with Litigation Trust Assets. The Reorganized Debtors shall have no liability therefor.

f. The Litigation Trustee or any successor Litigation Trustee appointed pursuant to the Plan may be removed as Litigation Trustee (i) without cause by the Litigation Trust Oversight Committee, or (ii) for cause pursuant to the terms and conditions set forth in the Litigation Trust Agreement upon order of the Bankruptcy Court upon motion of any holder of a Litigation Trust Unit that has not received payment in full plus interest as specified in the Plan. For purposes of this provision, cause shall mean fraud, self-dealing, intentional misrepresentation, gross negligence, or willful misconduct. In addition, the Litigation Trustee may resign with thirty (30) days' notice served on the Litigation Trust Beneficiaries and filed with the Bankruptcy Court. In the event that the Litigation Trustee is removed, resigns, or otherwise ceases to serve as Litigation Trustee, the Litigation Trust Oversight Committee shall appoint a successor Litigation Trustee. Any successor Litigation Trustee shall be subject to the same qualifications and shall have the same rights, powers, duties, and discretion, and otherwise be in the same position, as the originally named Litigation Trustee. References herein to the Litigation Trustee shall be deemed to refer to the successor Litigation Trustee acting hereunder.

g. The Litigation Trustee and the Litigation Trust Oversight Committee and each of their respective directors, members, shareholders, partners, officers, agents, professionals or employees shall be indemnified by the Litigation Trust to the extent set forth in the Litigation Trust Agreement as of the Effective Date, and in no event shall they be indemnified by the Reorganized Debtors or Related Persons of the Reorganized Debtors.

h. To effectively investigate, prosecute, compromise, and/or settle the Litigation Trust Assets on behalf of the Litigation Trust, the Litigation Trustee and its counsel and representatives may require reasonable access to the Debtors' and Reorganized Debtors' documents and information relating to the Litigation Trust Assets and, in such event, must be able to exchange such information with the Reorganized Debtors on a confidential basis and in common interest without being restricted by or waiving any applicable work product, attorney-client, or other privilege. Accordingly, on the Effective Date, the Reorganized Debtors and the Litigation Trustee shall enter into the Litigation Trust Agreement providing for reasonable access to, at the Litigation Trust's own expense, copies of the Debtors' and Reorganized Debtors' records and information relating to the Litigation Trust Assets, including, without limitation, electronic records or documents.

i. The Reorganized Debtors shall preserve all records and documents (including all electronic records or documents) related to the Litigation Trust Assets for a period of five (5) years after the Effective Date or, if any Preserved Cause of Action has been asserted in a pending action, then until such later time as the Litigation Trustee notifies the Reorganized Debtors in writing that such records are no longer required to be preserved; provided, however, that nothing herein shall or shall be deemed to expand the scope of documents available, and/or require production of work product, to the Litigation Trust, that would not otherwise have been available to the Debtors or be available to the Reorganized Debtors. The Litigation Trust shall reimburse the Reorganized Debtors for all reasonable out of pocket costs incurred (including for legal fees, travel accommodations, electronic discovery and other forensic investigation and analysis or courier and mail service) in performing their obligations under Section 12.3.9 of the Plan or in otherwise supporting the Litigation Trust to the extent such support is required by the Litigation Trust Agreement or is otherwise requested and provided under the Litigation Trust Agreement. The Litigation Trust shall provide reimbursement for all reasonable out of pocket costs incurred within 30 days of receipt of an appropriately detailed written invoice.

j. The duties, responsibilities, and powers of the Litigation Trustee shall terminate in accordance with the terms of the Litigation Trust Agreement after all of the Litigation Trust Assets have been liquidated and after all proceeds thereof have been distributed to the Litigation Trust Beneficiaries.

4. *Dissolution*

The Litigation Trust will be dissolved no later than five (5) years from the Effective Date; provided, however, that the Bankruptcy Court, upon motion by a party in interest, may extend the term of the Litigation Trust for a finite period if (i) such extension is necessary to the purpose of the Litigation Trust, (ii) the Litigation Trustee receives an opinion of counsel or a ruling from the IRS stating that such extension would not adversely affect the status of the Litigation Trust as a liquidating trust for U.S. federal income tax purposes, and (iii) such extension is obtained within the six (6) month period prior to the Litigation Trust's fifth (5th) anniversary or the end of the immediately preceding extension period, as applicable. Upon dissolution of the Litigation Trust, any remaining Cash on hand and other assets, with the exception of any Preserved Causes of Action will be distributed to the Litigation Trust Beneficiaries in accordance with the Litigation Trust Agreement. Upon the dissolution of the Litigation Trust, all remaining Preserved Causes of Action shall be deemed void and abandoned and no Litigation Trust Beneficiary shall have any right, title or interest in or to any such Preserved Cause of Action.

5. *Funding the Litigation Trust*

On the Effective Date, the Litigation Trust Initial Funding shall be deposited in the Litigation Trust.

K. CONFIRMATION AND CONSUMMATION OF THE PLAN

1. *Conditions to Effective Date*

The Plan shall not become effective and the Effective Date shall not occur unless and until the following conditions shall have been satisfied or waived in accordance with Section 9.1 of the Plan:

a. The Confirmation Order confirming the Plan shall have been entered by the Bankruptcy Court and there shall not be a stay or injunction (or similar prohibition) in effect with respect thereto.

b. All authorizations, consents, certifications, approvals, rulings, no-action letters, opinions or other documents or actions required by any law, regulation or order to be received or to occur in order to implement the Plan on the Effective Date shall have been obtained or shall have occurred unless failure to do so will not have a material adverse effect on the Reorganized Debtors.

c. All authorizations, consents, certifications, approvals, rulings, no-action letters, opinions or other documents or actions required by any law, regulation or order to be received or to occur in order to implement the Plan on the Effective Date shall have been obtained or shall have occurred unless failure to do so will not have a material adverse effect on the Reorganized Debtors.

2. *Waiver of Conditions*

Each of the conditions set forth in Section 9.1 of the Plan may be waived in whole or in part by the Debtors after notice to the Bankruptcy Court and parties in interest but without the need for a hearing.

3. *Vacation of Confirmation Order*

If the Confirmation Order is vacated, (a) the Plan shall be null and void in all respects; (b) any settlement of Claims or Interests provided for hereby shall be null and void without further order of the Bankruptcy Court; and (c) the time within which the Debtors may assume and assign or reject all executory contracts and unexpired leases shall be extended for a period of one hundred twenty (120) days after the date the Confirmation Order is vacated.

4. *Notice of Effective Date*

The Debtors shall file with the Bankruptcy Court a notice of the occurrence of the Effective Date within a reasonable period of time after the conditions in Section 9.1 of the Plan have been satisfied or waived pursuant to Section 9.2 of the Plan.

L. SETTLEMENT, RELEASE, INJUNCTION AND RELATED PROVISION

1. *Binding Effect*

On the Effective Date, except as otherwise provided in section 1141(d)(3) of the Bankruptcy Code, all provisions of the Plan, including all agreements, instruments and other documents filed in connection with the Plan and executed by the Debtors or the Reorganized Debtors in connection with the Plan, shall be binding upon the Debtors, the Reorganized Debtors, all Holders of Claims against and Interests in each of the Debtors and such Holder's respective successors and assigns, whether or not the Claim or Interest of such Holder is Impaired under the Plan and whether or not such Holder has accepted the Plan, and all other parties that are affected in any manner by the Plan. All agreements, instruments and other documents filed in connection with the Plan shall be given full force and effect, and shall bind all parties referred to therein as of the Effective Date, whether or not such agreements are actually

issued, delivered or recorded on the Effective Date or thereafter and whether or not a party has actually executed such agreement.

2. *Discharge Provisions*

a. Discharge of Claims and Termination of Interests. Except as otherwise provided herein or in the Confirmation Order, all consideration distributed under the Plan shall be in exchange for, and in complete satisfaction, settlement, discharge and release of, all Claims and Interests (other than Unimpaired Claims that are Allowed and Unimpaired Interests) of any nature whatsoever against the Debtors or any of their Estates, assets, properties or interest in property, and regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests. On the Effective Date, the Debtors shall be deemed discharged and released under Section 1141(d)(l)(A) of the Bankruptcy Code from any and all Claims and Interests (other than Unimpaired Claims that are Allowed and Unimpaired Interests), including, but not limited to, demands and liabilities that arose before the Effective Date, and all debts of the kind specified in Sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, , the Prepetition ABL Credit Facility Claims, Senior Notes Claims, General Unsecured Claims, and Interests in UCI Holdings.

b. Discharge Injunction. As of the Effective Date, except as otherwise expressly provided in the Plan or the Confirmation Order, all Entities shall be precluded from asserting against the Debtors or the Reorganized Debtors and their respective assets, property and Estates, any other or further Claims (other than those Reinstated under the Plan), or any other obligations, suits, judgments, damages, debts, rights, remedies, causes of action or liabilities of any nature whatsoever, relating to any of the Debtors or Reorganized Debtors or any of their respective assets, property and Estates, based upon any act, omission, transaction or other activity of any nature that occurred prior to the Effective Date. In accordance with the foregoing, except as expressly provided in the Plan or the Confirmation Order, the Confirmation Order shall constitute a judicial determination, as of the Effective Date, of the discharge of all non-Reinstated Claims or other obligations, suits, judgments, damages, debts, rights, remedies, causes of action or liabilities, pursuant to sections 524 and 1141 of the Bankruptcy Code, and such discharge shall void and extinguish any judgment obtained against the Debtors, the Reorganized Debtors, or any of their respective assets, property and Estates at any time, to the extent such judgment is related to a discharged Claim, debt or liability.

3. *Releases by the Debtors*

Except as otherwise expressly provided in the Plan or the Confirmation Order, on the Effective Date, for good and valuable consideration, to the fullest extent permissible under applicable law, each of the Debtors and Reorganized Debtors on its own behalf and as a representative of its respective Estate, shall, and shall be deemed to, completely and forever release, waive, void, extinguish and discharge unconditionally, each and all of the Released Parties of and from any and all Claims and causes of action (including, without limitation, Avoidance Actions), any and all other obligations, suits, judgments, damages, debts, rights, remedies, causes of action and liabilities of any nature whatsoever, 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 or may be based in whole or part on any act, omission, transaction, event or other circumstance taking place or existing on or prior to the Effective Date (including prior to the Petition Date) in connection with or related to any of the Debtors, the Reorganized Debtors, their respective assets, property and Estates, the Chapter 11 Cases, the Plan, the Plan Supplement or this Disclosure Statement that may be asserted by or on behalf of any of the Debtors, the Reorganized Debtors or their respective Estates against any of the Released Parties; provided, however, that nothing in Section 10.3 of the Plan shall be construed to release any party from willful misconduct or gross negligence as determined by a Final Order.

4. ***Releases by Certain Holders of Claims***

Except as otherwise expressly provided in the Plan or the Confirmation Order, on the Effective Date, for good and valuable consideration, to the fullest extent permissible under applicable law, each Holder of a Claim entitled to vote on the Plan shall be deemed to have completely and forever released, waived, and discharged unconditionally each of the Debtors and their respective Related Persons of and from any and all Claims, any and all other obligations, suits, judgments, damages, debts, rights, remedies, causes of action and liabilities of any nature whatsoever (including, without limitation, those arising under the Bankruptcy Code), 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 or may be based in whole or part on any act, omission, transaction, event or other circumstance taking place or existing on or prior to the Effective Date (including prior to the Petition Date) in connection with or related to any of the Debtors, the Reorganized Debtors or their respective assets, property and Estates, the Chapter 11 Cases, the Plan, the Plan Supplement, and/or or the Disclosure Statement; provided, however, that (i) each Holder of a Claim that has submitted a Ballot may elect, by checking the appropriate box on its Ballot, not to grant the releases set forth in Section 10.4 of the Plan and (ii) nothing in Section 10.4 of the Plan shall be construed to release any party from willful misconduct or gross negligence as determined by a Final Order.

5. ***Exculpation***

From and after the Effective Date, the Released Parties shall neither have nor incur any liability to, or be subject to any right of action by, any Holder of a Claim or an Interest, or any other party in interest, or any of their respective employees, representatives, financial advisors, attorneys, or agents acting in such capacity, or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, formulating, negotiating or implementing the Plan, the Plan Supplement, and/or the Disclosure Statement, the solicitation of acceptances of the Plan, the pursuit of Confirmation of the Plan, the Confirmation of the Plan, the consummation of the Plan, the administration of the Plan, the property to be distributed under the Plan, or any other act taken or omitted to be taken in connection with or in contemplation of the Chapter 11 Cases or implementation of the Plan; provided, however, that Section 10.5 of the Plan shall not apply to release (x) obligations under the Plan, and obligations under the contracts, instruments, releases, agreements, and documents delivered, Reinstated or assumed under the Plan, and (y) any claims or causes of action arising

out of willful misconduct or gross negligence as determined by a Final Order. Any of the Released Parties shall be entitled to rely, in all respects, upon the advice of counsel with respect to their duties and responsibilities under the Plan.

6. *Injunction Related to Exculpation*

Except as expressly provided in the Plan or the Confirmation Order, as of the Effective Date, all Persons and Entities that hold, have held, or may hold a Claim or any other obligation, suit, judgment, damages, debt, right, remedy, cause of action or liability of any nature whatsoever, of the types described in Section 10.4 of the Plan and relating to any of the Debtors or the Reorganized Debtors or any of their respective assets, property and/or Estates, are, and shall be, permanently, forever and completely stayed, restrained, prohibited, barred and enjoined from taking any of the following actions against any Released Party or its property on account of such released liabilities, whether directly or indirectly, derivatively or otherwise, on account of or based on the subject matter of such discharged Claims or other obligations, suits, judgments, damages, debts, rights, remedies, causes of action or liabilities: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding (including, without limitation, any judicial, arbitral, administrative or other proceeding) in any forum; (ii) enforcing, attaching (including, without limitation, any prejudgment attachment), collecting, or in any way seeking to recover any judgment, award, decree, or other order; (iii) creating, perfecting or in any way enforcing in any matter, directly or indirectly, any Lien; (iv) setting off, seeking reimbursement or contributions from, or subrogation against, or otherwise recouping in any manner, directly or indirectly, any amount against any liability or obligation that is discharged under Section 10.1 of the Plan; and/or (v) commencing or continuing in any manner any judicial, arbitration or administrative proceeding in any forum, that does not comply with or is inconsistent with the provisions of the Plan or the Confirmation Order.

7. *Survival of Indemnification Obligations*

The obligations of the Debtors to indemnify any past and present directors, officers, agents, employees and representatives who provided services to the Debtors or on or after the Petition Date, pursuant to certificates or articles of incorporation, by-laws, contracts and/or applicable statutes, in respect of all actions, suits and proceedings against any of such officers, directors, agents, employees and representatives, based upon any act or omission related to service with, for or on behalf of the Debtors, shall not be discharged or impaired by Confirmation or consummation of the Plan and shall be assumed by the Reorganized Debtors (other than any obligations of the Debtors to indemnify members of the Rank Group and their Related Persons if the Rank Contribution Election is not made, in which case such obligations shall not be assumed).

8. *Terms of Bankruptcy Injunctions or Stays*

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

M. MISCELLANEOUS PLAN PROVISIONS

THE FOLLOWING IS A SUMMARY OF CERTAIN MISCELLANEOUS PROVISIONS UNDER THE PLAN AND IS QUALIFIED IN ITS ENTIRETY BY THE TERMS OF THE PLAN.

1. *Retention of Jurisdiction*

Pursuant to sections 105(c) and 1142 of the Bankruptcy Code and notwithstanding entry of the Confirmation Order and the 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 Expense Claim, or Priority Tax Claim, and the resolution of any objections to the allowance or priority of Claims or Interests;

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

c. ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

d. decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving the Debtors that may be pending on the Effective Date;

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

f. resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation, or enforcement of the Plan or any contract, instrument, release or other agreement or document that is executed or created pursuant to the Plan, or any entity's rights arising from or obligations incurred in connection with the Plan or such documents;

g. approve any modification of the Plan before or after the Effective Date pursuant to section 1127 of the Bankruptcy Code or approve any modification of the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, or remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan;

h. subject to Section 13.2 of the Plan, hear and determine all applications for compensation and reimbursement of expenses of Professionals under the Plan or under sections 330, 331, 363, 503(b), 1103 and 1129(c)(9) of the Bankruptcy Code, which shall be payable by the Debtors only upon allowance thereof pursuant to an order of the Bankruptcy Court;

i. hear and determine causes of action by or on behalf of the Debtors or the Reorganized Debtors;

j. hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;

k. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason or in any respect modified, stayed, reversed, revoked or vacated, or if distributions pursuant to the Plan are enjoined or stayed;

l. determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, or other agreement, or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order;

m. enforce all orders, judgments, injunctions, releases, exculpations, indemnifications and rulings entered in connection with the Chapter 11 Cases;

n. hear and determine all matters related to (i) the property of the Estates from and after the Confirmation Date and (ii) the activities of the Reorganized Debtors;

o. hear and determine (i) all Ordinary Litigation Claims and (ii) all Preserved Causes of Action and any other actions commenced by the Litigation Trust;

p. hear and determine such other matters as may be provided in the Confirmation Order or as may be authorized under the Bankruptcy Code; and

q. enter an order closing the Chapter 11 Cases

2. *Surrender of Instruments*

As a condition to participation in distributions under the Plan, each Senior Noteholder and the Holder(s) of any evidence of indebtedness of the Debtors relating to a non-Reinstated Claim that desires to receive the property to be distributed on account of an Allowed non-Reinstated Claim based on such Senior Unsecured Note or evidence of indebtedness shall surrender such Senior Unsecured Note or evidence of indebtedness to the Debtors, or their designee, and shall execute and deliver such other documents as are necessary to effectuate the Plan. Except as otherwise provided in Section 13.1 of the Plan, if no surrender of a Senior Unsecured Note or evidence of indebtedness relating to a non-Reinstated Claim occurs and a claimant does not provide an affidavit and indemnification agreement, in form and substance satisfactory to the Debtors, that such Senior Unsecured Note or evidence of indebtedness was lost, then no distribution may be made to any claimant whose Claim is based on such security, note, debenture or evidence of indebtedness thereof. The Debtors shall make subsequent distributions only to the persons who surrender Senior Unsecured Notes or evidence of indebtedness, as applicable, for exchange (or their assignees) and the record holders of such

Senior Unsecured Notes or other indebtedness shall be those holders of record as of the Distribution Record Date.

3. *Post-Confirmation Date Retention of Professionals*

On the Effective Date, any requirement that Professionals employed by the Reorganized Debtors comply with sections 327 through 331 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date will terminate, and the Reorganized Debtors will be authorized to employ and compensate professionals in the ordinary course of business and without the need for application to or approval by the Bankruptcy Court.

4. *Bar Date for Certain Administrative Expense Claims*

All applications for final allowance of compensation or reimbursement of expenses incurred by any Professional, and all other requests for the payment of Administrative Expense Claims, including all requests for the allowance of any Administrative Expense Claim pursuant to section 503(b)(3)(D) of the Bankruptcy Code for substantial contributions made in the Chapter 11 Cases (but excluding all requests for the payment of obligations incurred by the Debtors in the ordinary course of their business operations after the Petition Date), must be filed with the Bankruptcy Court and served on the Reorganized Debtors and their counsel at the addresses set forth in Section 13.13 of the Plan not later than thirty (30) days after the Effective Date, unless otherwise ordered by the Bankruptcy Court. Any request for the payment of an Administrative Expense Claim that is not timely filed and served shall be discharged and forever barred and the Holder of such Administrative Expense Claim shall be enjoined from commencing or continuing any action, process, or act to collect, offset or recover such Claim. The Debtors and the Reorganized Debtors shall have sole responsibility for filing objections to and resolving all requests for the allowance of Administrative Expense Claims

5. *Effectuating Documents and Further Transactions*

Each of the Debtors and the Reorganized Debtors is authorized to execute, deliver, file or record such contracts, instruments, certificates, notes, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan and the New Common Stock issued under or in connection with to the Plan

6. *Corporate Action*

Prior to, on, or after the Effective Date (as appropriate), all matters expressly provided for under the Plan that would otherwise require approval of the stockholders or directors of one or more of the Debtors or the Reorganized Debtors shall be deemed to have occurred and shall be in effect prior to, on, or after the Effective Date (as appropriate) pursuant to the applicable general corporation law of the states in which the Debtors or the Reorganized Debtors are incorporated or organized without any requirement of further action by the stockholders or directors of the Debtors or the Reorganized Debtors.

7. *Exemption from Transfer Taxes*

Pursuant to section 1146(a) of the Bankruptcy Code, (a) the issuance, transfer or exchange of notes or equity securities under the Plan; (b) the creation of any mortgage, deed of trust, lien, pledge or other security interest; (c) the making or assignment of any lease or sublease; or (d) the making or delivery of any deed or other instrument of transfer under the Plan, including, without limitation, merger agreements, agreements of consolidation, restructuring, disposition, liquidation or dissolution, deeds, bills of sale, and transfers of tangible property, will not be subject to any stamp tax or other similar tax.

8. *Payment of Statutory Fees*

All fees payable pursuant to section 1930 of title 28 of the United States Code, as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid on the Effective Date.

9. *Creditors' Committee*

On the Effective Date, the Creditors' Committee shall dissolve without need for a further order of the Bankruptcy Court; provided, however, that, following the Effective Date, the Creditors' Committee shall continue in existence and have standing and a right to be heard for the following limited purposes: (i) Claims and/or applications, and any relief related thereto, for compensation by Professionals and requests for allowance of Administrative Claims for substantial contribution pursuant to section 503(b)(3)(D) of the Bankruptcy Code; and (ii) appeals of the Confirmation Order as to which the Creditors' Committee is a party. Upon dissolution of the Creditors' Committee, the members thereof and their respective officers, employees, counsel, advisors, and agents shall be released and discharged from all rights and duties from or related to the Chapter 11 Cases; provided, however that obligations arising under confidentiality agreements, joint interest agreements and protective orders, if any, entered during the Chapter 11 Cases shall remain in full force and effect according to their terms.. The Debtors and the Reorganized Debtors shall have no obligation to pay or reimburse any fees of the Creditors' Committee incurred after the Effective Date except with regard to the limited purposes identified above or as otherwise provided herein.

10. *Amendment of Modification of The Plan*

Subject to section 1127 of the Bankruptcy Code, the Debtors may alter, amend or modify the Plan or the Exhibits at any time prior to or after the Confirmation Date but prior to the substantial consummation of the Plan. Any Holder of a Claim or Interest that has accepted the Plan shall be deemed to have accepted the Plan, as altered, amended or modified, if the proposed alteration, amendment or modification does not materially and adversely change the treatment of the Claim or Interest of such Holder.

11. *Severability of Plan Provisions*

If, prior to the Confirmation Date, any term or provision of the Plan is determined by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court will have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision will then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the

terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration, or interpretation. The Confirmation Order will constitute a judicial determination and will provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms

12. *Successors and Assigns*

The Plan shall be binding upon and inure to the benefit of the Debtors, and their respective successors and assigns, including, without limitation, the Reorganized Debtors. The rights, benefits and obligations of any entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such entity.

13. *Revocation, Withdrawal or Non-Consummation*

Subject to certain restrictions and requirements set forth herein (including, without limitation, Section 12.9 of the Plan), in section 1127 of the Bankruptcy Code and in Bankruptcy Rule 3019, the Debtors reserve the right to revoke or withdraw the Plan as to any or all of the Debtors prior to the Confirmation Date and to file one or more subsequent chapter 11 plans. If the Debtors revoke or withdraw the Plan as to any or all of the Debtors or if confirmation or consummation of the Plan as to any or all of the Debtors does not occur, then, with respect to such Debtors, (a) the Plan shall be null and void in all respects, (b) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain any Claim or Interest or Class of Claims or Interests), assumption or rejection of executory contracts or leases affected by the Plan, and any document or agreement executed pursuant to the Plan shall be deemed null and void and (c) nothing contained in the Plan shall (i) constitute a waiver or release of any Claims by or against, or any Interests in, such Debtors or any other Person, (ii) prejudice in any manner the rights of such Debtors or any other Person or (iii) constitute an admission of any sort by the Debtors or any other Person.

14. *Notice*

All notices, requests and demands to or upon the Debtors or the Reorganized Debtors to be effective shall be in writing and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

UCI INTERNATIONAL, LLC
1900 West Field Court
Lake Forest, IL 60045
Attn: Keith A. Zar

with a copy to:

SIDLEY AUSTIN LLP
One South Dearborn Street
Chicago, Illinois 60603
Telephone: (312) 853-7000
Facsimile: (312) 853-7036
Attn: Larry J. Nyhan
Jessica C.K. Boelter

-and-

YOUNG CONAWAY STARGATT & TAYLOR, LLP
Rodney Square
1000 North King Street
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253
Attn: Edmon L. Morton

Counsel to Debtors and Debtors-in-Possession

15. ***Governing Law***

Subject to the provisions of any contract, certificates or articles of incorporation, by-laws, instruments, releases, or other agreements or documents entered into in connection with the Plan, and subject further to Section 11.1 of the Plan, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with (i) the Bankruptcy Code, the Bankruptcy Rules or other federal law to the extent applicable and (ii) if none of such law is applicable, the laws of the State of Delaware, without giving effect to the principles of conflicts of law of such jurisdiction.

16. ***Tax Reporting and Compliance***

The Reorganized Debtors are hereby authorized, on behalf of each of the Debtors, to request an expedited determination under section 505 of the Bankruptcy Code of the tax liability of the Debtors for all taxable periods ending after the Petition Date through, and including, the Effective Date

17. ***Exhibits***

All Exhibits to the Plan and Plan Supplement are incorporated into and are a part of the Plan as if set forth in full herein.

18. ***Filing of Additional Documents***

On or before substantial consummation of the Plan, the Reorganized Debtors and the Debtors shall, as applicable, file such agreements and other documents as may be necessary or appropriate to effectuate and evidence further the terms and conditions of the Plan.

19. *Reservation of Rights*

Except as expressly set forth herein, the Plan shall have no force and effect unless the Bankruptcy Court has entered the Confirmation Order. The filing of the Plan, any statement or provision contained in the Plan, or the taking of any action by the Debtors with respect to the Plan shall not be and shall not be deemed to be an admission or waiver of any rights of the Debtors or any other Person with respect to Claims against and Interests in the Debtors

VI. CONFIRMATION OF THE PLAN

A. CONFIRMATION IN CHAPTER 11 CASES

1. *Confirmation Hearing*

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on confirmation of a plan. The Confirmation Hearing pursuant to section 1128 of the Bankruptcy Code will be held on [_____, __] 20__ at [__ _.m.], prevailing Eastern Time, before the Honorable Judge Mary F. Walrath, United States Bankruptcy Judge for the District of Delaware, in the United States Bankruptcy Court for the District of Delaware, located at 824 North Market Street, 5th Floor, Courtroom #4, Wilmington, Delaware. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for the announcement of adjournment at the Confirmation Hearing, or at any subsequent adjourned Confirmation Hearing.

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to confirmation of a plan. Any objection to Confirmation of the Plan must: (i) be made in writing; (ii) state the name and address of the objecting party and the nature of the claim or interest of such party; (iii) state with particularity the legal and factual basis and nature of any objection to the Plan; and (iv) be filed with the Court, together with proof of service, and served so that they are received **on or before [_____] at 4:00 p.m, prevailing Eastern Time** by the following parties:

Counsel to the Debtors:

Sidley Austin LLP
One South Dearborn Street
Chicago, Illinois 60603
Facsimile: (312) 853-7036
Attn: Larry J. Nyhan
Jessica C.K. Boelter
Kerriann S. Mills
Geoffrey M. King

Young Conaway Stargatt & Taylor, LLP
Rodney Square
1000 N. King Street
Wilmington, Delaware 19801
Facsimile: (302) 571-1253
Attn: Robert S. Brady
Edmon L. Morton

The United States Trustee:

U.S. Trustee
Office of the United States Trustee
J. Caleb Boggs Federal Building
844 King Street, Suite 2207
Lock Box 35
Wilmington, Delaware 19801
Facsimile: (302) 573-6497
Attn: Richard L. Schepacarter

Counsel to the Official Committee of Unsecured Creditors:

Morrison & Foerster LLP
250 West 55th Street
New York, NY 10019-9601
Facsimile: (212) 468-7900
Attn: Lorenzo Marinuzzi
Jonathan L. Levine
Erica J. Richards

Cole Schotz P.C.
500 Delaware Avenue, Suite 1410
Wilmington, DE 19801
Facsimile : (302) 652-3117
Attn : Norman L. Pernick
Patrick J. Reilley

Counsel to the Ad Hoc Group:

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019
Facsimile: (212) 728-8111
Attn: Matthew A. Feldman
Paul V. Shalhoub
Daniel Forman

Morris Nichols Arsht & Tunnell LLP
1201 N. Market St., 16th Floor
P.O. Box 1347
Wilmington, DE 19899-1347
Facsimile: (302) 658-3989
Attn: Robert J. Dehney
Eric D. Schwartz

Objections to confirmation of the Plan are governed by Rule 9014 of the Bankruptcy Rules. **UNLESS AN OBJECTION TO CONFIRMATION IS TIMELY AND PROPERLY SERVED AND FILED, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT**.

B. STATUTORY REQUIREMENTS FOR CONFIRMATION OF THE PLAN IN CHAPTER 11 CASES

At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan only if all of the requirements of section 1129 of the Bankruptcy Code are met. Among the requirements for confirmation are that the Plan (i) is accepted by all Impaired Classes of Claims and Interests or, if rejected by an Impaired Class, that the Plan "does not discriminate unfairly" and is "fair and

equitable" as to such Class, (ii) is feasible and (iii) is in the "best interests" of Holders of Claims and Interests Impaired under the Plan.

AS EXPLAINED ABOVE, THE BANKRUPTCY CODE CONTAINS PROVISIONS FOR CONFIRMATION OF A PLAN EVEN IF IT IS NOT ACCEPTED BY ALL CLASSES. THESE SO-CALLED "CRAMDOWN" PROVISIONS ARE SET FORTH IN SECTION 1129(b) OF THE BANKRUPTCY CODE, WHICH PROVIDES THAT A PLAN OF REORGANIZATION CAN BE CONFIRMED EVEN IF IT HAS NOT BEEN ACCEPTED BY ALL IMPAIRED CLASSES OF CLAIMS AND INTERESTS AS LONG AS AT LEAST ONE IMPAIRED CLASS OF NON-INSIDER CLAIMS HAS VOTED TO ACCEPT THE PLAN.

1. *Acceptance*

Claims and Interests in Classes C, D and E are Impaired under the Plan, and, therefore, must accept the Plan in order for it to be confirmed without application of the "fair and equitable test," described below, to such Classes. As stated above, Impaired Classes of Claims will have accepted the Plan if the Plan is accepted by at least two-thirds in dollar amount and a majority in number of the Claims of each such Class (other than any Claims of creditors designated under section 1126(e) of the Bankruptcy Code) that have voted to accept or reject the Plan.

Classes A, B, F, G and J are Unimpaired under the Plan, and the Holders of Allowed Claims in each of these Classes are conclusively presumed to have accepted the Plan.

Classes H and I are Impaired and the Holders of such Claims and Interests will not receive or retain any property under the Plan. Accordingly, Classes H and I are deemed not to have accepted the Plan and confirmation of the Plan will require application of the "fair and equitable test," described below.

2. *Fair and Equitable Test*

The Debtors will seek to confirm the Plan notwithstanding the deemed nonacceptance of the Plan by Classes H and I. To obtain such confirmation, it must be demonstrated that the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to each such dissenting Impaired Class. A plan does not discriminate unfairly if the legal rights of a dissenting class are treated in a manner consistent with the treatment of other classes whose legal rights are substantially similar to those of the dissenting class and if no class receives more than it is entitled to on account of its claims or interests. The Debtors believe that the Plan satisfies these requirements.

The Bankruptcy Code establishes different "fair and equitable" tests for secured claims, unsecured claims and equity interests, as follows:

a. Secured Creditors. Either (i) each holder of an impaired secured claim retains its liens securing its secured claim and receives on account of its secured claim deferred Cash payments having a present value equal to the amount of its allowed secured claim, (ii) each impaired secured creditor realizes the "indubitable equivalent" of its allowed

secured claim, or (iii) the property securing the claim is sold free and clear of liens, with such liens attaching to the proceeds of the sale and the treatment of such liens on proceeds is as provided in clauses (i) or (ii) above.

b. Unsecured Creditors. Either (i) each holder of an impaired unsecured claim receives or retains under the plan property of a value equal to the amount of its allowed claim or (ii) the holders of claims and equity interests that are junior to the claims of the dissenting class will not receive or retain any property under the plan.

c. Interest Holders. Either (i) each holder of an equity interest will receive or retain under the plan property of a value equal to the greater of the fixed liquidation preference to which such holder is entitled, or the fixed redemption price to which such holder is entitled or the value of the equity interest, or (ii) the holders of equity interests that are junior to the nonaccepting class will not receive or retain any property under the plan.

THE DEBTORS BELIEVE THAT THE PLAN MAY BE CONFIRMED ON A NONCONSENSUAL BASIS PROVIDED AT LEAST ONE IMPAIRED CLASS OF CLAIMS VOTES TO ACCEPT THE PLAN. ACCORDINGLY, THE DEBTORS WILL DEMONSTRATE AT THE CONFIRMATION HEARING THAT THE PLAN SATISFIES THE REQUIREMENTS OF SECTION 1129(b) OF THE BANKRUPTCY CODE AS TO ANY NON-ACCEPTING CLASS.

3. *Feasibility*

Pursuant to section 1129(a)(11) of the Bankruptcy Code, among other things, the Bankruptcy Court must determine that confirmation of the Plan is not likely to be followed by the liquidation or need for further financial reorganization of the Debtors or any successors to the Debtors under the Plan. This condition is often referred to as the "feasibility" of the Plan. The Debtors believe that the Plan satisfies this requirement.

For purposes of determining whether the Plan meets this requirement, the financial advisors of the Debtors have analyzed the Debtors' ability to meet its obligations under the Plan. In conjunction with that analysis, the Debtors have prepared consolidated projected financial results for each of the years ending 2016 through and including 2019. These financial Projections, and the assumptions on which they are based, are discussed in Section VII.A. below and annexed hereto as Exhibit D (the "Projections"). Based upon the Projections, the Debtors believe that the Reorganized Debtors will be able to make all payments required pursuant to the Plan, and therefore, that confirmation of the Plan is not likely to be followed by liquidation or the need for further reorganization. The Debtors also believe that they will be able to repay or refinance on commercially reasonable terms any and all of the indebtedness under the Plan at or prior to the maturity of such indebtedness.

The Debtors have prepared the Projections based upon certain assumptions that they believe to be reasonable under the current circumstances. Those assumptions the Debtors considered to be significant are described in the notes which are part of the Projections. The Projections have not been examined or compiled by independent accountants. Many of the

assumptions on which the Projections are based are subject to significant uncertainties. Inevitably, some assumptions will not materialize, and unanticipated events and circumstances may affect the actual financial results. Therefore, the actual results achieved throughout the period covered by the Projections may vary from the projected results, and the variations may be material. All Holders of Claims that are entitled to vote to accept or reject the Plan are urged to examine carefully all of the assumptions on which the Projections are based in evaluating the Plan.

4. *Best Interests Test*

The "best interests" test under section 1129 of the Bankruptcy Code requires as a condition to confirmation of a plan of reorganization that each holder of impaired claims or impaired interests receive property with a value not less than the amount such holder would receive in a Chapter 7 liquidation. As indicated above, the Debtors believe that under the Plan, Holders of Impaired Claims and Impaired Interests will receive property with a value equal to or in excess of the value such Holders would receive in a liquidation of the Debtors under Chapter 7 of the Bankruptcy Code. The Chapter 7 liquidation analysis (the "Liquidation Analysis"), attached hereto as Exhibit B, demonstrates that the Plan satisfies the requirements of the "best interests" test.

To estimate potential returns to Holders of Claims and Interests in a Chapter 7 liquidation, the Debtors determined, as might a Bankruptcy Court conducting such an analysis, the amount of liquidation proceeds that might be available for distribution (net of liquidation-related costs) and the allocation of such proceeds among the Classes of Claims and Interests based on their relative priority as set forth in the Bankruptcy Code. For a further description of the factors and data considered by the Debtors in connection with the Liquidation Analysis, please see Exhibit B, attached hereto.

In general, as to each entity, liquidation proceeds would be allocated in the following priority:

- first, to the Claims of secured creditors to the extent of the value of their collateral;
- second, to the costs, fees and expenses of the liquidation, as well as other administrative expenses of the Debtors' Chapter 7 cases, including tax liabilities;
- third, to unpaid Administrative Expense Claims;
- fourth, to Priority Tax Claims and Priority Non-Tax Claims entitled to priority in payment under the Bankruptcy Code;
- fifth, to Unsecured Claims; and
- sixth, to Interests.

The Debtors' liquidation costs in a Chapter 7 case would include the compensation of a bankruptcy trustee, as well as compensation of counsel and other professionals retained by such trustee, asset disposition expenses, applicable taxes, litigation costs, Claims arising from the

Debtors' operation during the pendency of the Chapter 7 cases and all unpaid Administrative Expense Claims that are allowed in the Chapter 7 case. The liquidation itself might trigger certain Priority Claims and would likely accelerate Claims or, in the case of taxes, make it likely that the Internal Revenue Service would assert all of its claims as Priority Tax Claims rather than asserting them in due course as is expected to occur under the Chapter 11 Cases. These Priority Claims would be paid in full out of the net liquidation proceeds, after payment of secured Claims, Chapter 7 costs of administration and other Administrative Expense Claims, and before the balance would be made available to pay Unsecured Claims or to make any distribution in respect of Interests.

The Liquidation Analysis is provided solely to discuss the effects of a hypothetical Chapter 7 liquidation of the Debtors and is subject to the assumptions set forth below and in the Liquidation Analysis, attached hereto as Exhibit B. The Debtors cannot assure you that these assumptions would be accepted by a Bankruptcy Court. The Chapter 7 liquidation analysis has not been independently audited or verified.

5. *Liquidation Analysis*

The Liquidation Analysis is based upon a number of estimates and assumptions that are inherently subject to significant uncertainties and contingencies, many of which would be beyond the Debtors' control. Accordingly, while the analyses contained in the Liquidation Analysis are necessarily presented with numerical specificity, the Debtors cannot assure you that the values assumed would be realized if the Debtors were in fact liquidated, nor can the Debtors assure you that the Bankruptcy Court would accept this analysis or concur with these assumptions in making its determinations under section 1129(a) of the Bankruptcy Code.

ACTUAL LIQUIDATION PROCEEDS COULD BE MATERIALLY LOWER OR HIGHER THAN THE AMOUNTS SET FORTH IN EXHIBIT B. NO REPRESENTATION OR WARRANTY CAN OR IS BEING MADE WITH RESPECT TO THE ACTUAL PROCEEDS THAT COULD BE RECEIVED IN A CHAPTER 7 LIQUIDATION OF THE DEBTORS. THE LIQUIDATION VALUATIONS HAVE BEEN PREPARED SOLELY FOR PURPOSES OF ESTIMATING PROCEEDS AVAILABLE IN A CHAPTER 7 LIQUIDATION OF THE ESTATES AND DO NOT REPRESENT VALUES THAT MAY BE APPROPRIATE FOR ANY OTHER PURPOSE. NOTHING CONTAINED IN THESE VALUATIONS IS INTENDED TO OR MAY BE ASSERTED TO CONSTITUTE A CONCESSION OR ADMISSION OF THE DEBTORS FOR ANY OTHER PURPOSE.

The Liquidation Analysis is based upon the Debtors' unaudited balance sheets as of [___], 2016, with certain items projected forward to an assumed liquidation date of December 31, 2016, and assumes that the unaudited [___], 2016 balance sheets are conservative proxies for the balance sheets that would exist at the time the Chapter 7 liquidation would commence.

Under section 704 of the Bankruptcy Code, a Chapter 7 trustee must, among other duties, collect and convert the property of a debtor's estate to Cash and close the estate as expeditiously as is compatible with the best interests of the parties-in-interest. Consistent with these

requirements, it is assumed for purposes of the Liquidation Analysis that a liquidation of the Debtors would commence under the direction of a Chapter 7 trustee appointed by the Bankruptcy Court and would continue for a period of three (3) months, during which time all of the Debtors' major assets would either be sold or conveyed to their respective lien holders, and the Cash proceeds of such sales, net of liquidation-related costs, would then be distributed to the Debtors' creditors. Although the liquidation of some assets might not require three months to accomplish, other assets would be more difficult to collect or sell and hence would require a liquidation period substantially longer than three (3) months.

As set forth in detail on the Liquidation Analysis, attached hereto as Exhibit B, the Debtors believe that the Plan will produce a greater recovery for the Holders of Claims and Interests than would be achieved in a Chapter 7 liquidation. Consequently, the Debtors believe that the Plan, which provides for the continuation of the Debtors' businesses, will provide a substantially greater ultimate return to the Holders of Claims and Interests than would a Chapter 7 liquidation.

VII. PROJECTED FINANCIAL INFORMATION AND REORGANIZATION VALUE

A. PROJECTED FINANCIAL INFORMATION

Attached as Exhibit D are the Projections prepared by the Debtors' management (with the assistance of their advisors), setting forth the *pro forma* projections of the intended business operations of the Reorganized Debtors.

The Projections set forth in Exhibit D and the above summary reflect the Debtors' best judgment as to the cash flows of the Reorganized Debtors based upon assumptions the Debtors believe are reasonable; however, there can be no assurance that any of the assumptions on which they are based will prove to be accurate, that any of the forecasted expenses will not exceed assumptions or that the projected results will be realized. Actual results will be affected by several factors, including, without limitation, general economic and business conditions, successful implementation of business plans, third-party contractual relationships, sufficiency of working capital and sources of funding, as well as other conditions that affect the capital markets, all of which can be materially adverse to the Reorganized Debtors.

THE PROJECTIONS WERE NOT PREPARED TO COMPLY WITH THE GUIDELINES FOR PROSPECTIVE FINANCIAL STATEMENTS PUBLISHED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS AND THE RULES AND REGULATIONS OF THE SEC. THE DEBTORS' INDEPENDENT ACCOUNTANTS HAVE NEITHER EXAMINED NOR COMPILED THE ACCOMPANYING PROJECTIONS AND ACCORDINGLY DO NOT EXPRESS AN OPINION OR ANY OTHER FORM OF ASSURANCE WITH RESPECT TO THE PROJECTIONS, ASSUME NO RESPONSIBILITY FOR THE PROJECTIONS AND DISCLAIM ANY ASSOCIATION WITH THE PROJECTIONS. EXCEPT FOR PURPOSES OF THIS DISCLOSURE STATEMENT, THE DEBTORS DO NOT PUBLISH PROJECTIONS OF THEIR ANTICIPATED FINANCIAL POSITION OR RESULTS OF OPERATIONS. EXCEPT AS MAY OTHERWISE BE PROVIDED IN THE PLAN OR THIS DISCLOSURE STATEMENT, THE DEBTORS DO

NOT INTEND TO UPDATE OR OTHERWISE REVISE THESE PROJECTIONS TO REFLECT EVENTS OR CIRCUMSTANCES EXISTING OR ARISING AFTER THE DATE OF THIS DISCLOSURE STATEMENT OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS.

THE PROJECTIONS, WHILE PRESENTED WITH NUMERICAL SPECIFICITY, ARE NECESSARILY BASED ON A VARIETY OF ESTIMATES AND ASSUMPTIONS THAT, THOUGH CONSIDERED REASONABLE BY THE DEBTORS, MAY NOT BE REALIZED, AND ARE INHERENTLY SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC, COMPETITIVE, INDUSTRY, REGULATORY, MARKET AND FINANCIAL UNCERTAINTIES AND CONTINGENCIES, MANY OF WHICH WILL BE BEYOND THE REORGANIZED DEBTORS' CONTROL. THE DEBTORS CAUTION THAT NO REPRESENTATIONS CAN BE OR ARE MADE AS TO THE ACCURACY OF THE PROJECTIONS OR TO THE REORGANIZED DEBTORS' ABILITY TO ACHIEVE THE PROJECTED RESULTS. SOME ASSUMPTIONS INEVITABLY WILL BE INCORRECT. MOREOVER, EVENTS AND CIRCUMSTANCES OCCURRING SUBSEQUENT TO THE DATE ON WHICH THE PROJECTIONS WERE PREPARED MAY BE DIFFERENT FROM THOSE ASSUMED, OR, ALTERNATIVELY, MAY HAVE BEEN UNANTICIPATED, AND THUS MAY AFFECT FINANCIAL RESULTS IN A MATERIAL AND POSSIBLY ADVERSE MANNER. THE PROJECTIONS, THEREFORE, MAY NOT BE RELIED UPON AS A GUARANTEE OR OTHER ASSURANCE OF THE ACTUAL RESULTS THAT WILL OCCUR. SEE ARTICLE IX, "CERTAIN RISK FACTORS TO BE CONSIDERED."

IN DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN, HOLDERS OF CLAIMS MUST MAKE THEIR OWN DETERMINATIONS AS TO THE REASONABLENESS OF SUCH ASSUMPTIONS AND THE RELIABILITY OF THE PROJECTIONS AND SHOULD CONSULT WITH THEIR OWN ADVISORS.

B. REORGANIZATION VALUE

In conjunction with formulating the Plan, the Debtors have estimated the postconfirmation going-concern enterprise value of the Reorganized Debtor (the "Total Enterprise Value"). At the Debtors' request, Moelis, their investment banker, performed an analysis of the estimated reorganization value of Reorganized Debtor on a going-concern basis, annexed hereto as Exhibit E (the "Valuation Analysis").

The Valuation Analysis is based on financial projections provided by the Debtors' management for 2016 – 2020. Based on these financial projections and solely for the purposes of the Plan, the Debtors and Moelis estimate that the Total Enterprise Value of the Debtors falls within the range of approximately $[__] to $[__], with a mid-point estimate of $[__].

Based on an assumed pro forma debt balance of approximately $[_____] at the Effective Date, Moelis' mid-point estimate of Total Enterprise Value implies a mid-point value for the New Common Stock of Reorganized UCI of approximately [__]. In the event that the Debtors elected to consummate the Rights Offering, Moelis' mid-point estimate of Total Enterprise Value implies a mid-point value for the New Common Stock of Reorganized UCI of approximately [__].

For a further description of the overview and methodology of the Valuation Analysis, please see Exhibit E.

VIII. DESCRIPTION OF CAPITAL STOCK OF REORGANIZED DEBTORS

Pursuant to the Plan, Reorganized UCI will authorize the issuance of [_____] shares, and will issue approximately [_____] shares, of New Common Stock for distribution to creditors as set forth herein, with no less than [___] percent ([__]%) on a fully diluted basis of the New Common Stock that is issued or reserved for issuance pursuant to the Plan (including up to 5% of the New Common Stock reserved for issuance pursuant to the Management Equity Incentive Plan). The New Common Stock will be subject to dilution as a result of further issuances thereof, including with respect to shares that may be issued under a management incentive plan. In connection with the Rights Offering, if any, Reorganized UCI shall issue the New Warrants, which entitle the holders thereof to purchase an aggregate of [__]% of the New Common Stock.

IX. CERTAIN RISK FACTORS TO BE CONSIDERED

THE IMPLEMENTATION OF THE PLAN IS SUBJECT TO A NUMBER OF MATERIAL RISKS, INCLUDING THOSE ENUMERATED BELOW.

IN EVALUATING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN, HOLDERS OF CLAIMS AND INTEREST AGAINST ANY OF THE DEBTORS ENTITLED TO VOTE ON THE PLAN SHOULD READ AND CAREFULLY CONSIDER THE RISK FACTORS SET FORTH BELOW, AS WELL AS THE OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT (AND THE DOCUMENTS DELIVERED TOGETHER HEREWITH AND/OR INCORPORATED BY REFERENCE HEREIN), PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN. THESE RISK FACTORS SHOULD NOT, HOWEVER, BE REGARDED AS CONSTITUTING THE ONLY RISKS INVOLVED IN CONNECTION WITH THE PLAN AND ITS IMPLEMENTATION, OR ALTERNATIVES TO THE PLAN.

THESE RISK FACTORS CONTAIN CERTAIN STATEMENTS THAT ARE "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. THESE STATEMENTS ARE SUBJECT TO A NUMBER OF ASSUMPTIONS, RISKS AND UNCERTAINTIES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE COMPANY, INCLUDING THE IMPLEMENTATION OF THE PLAN, THE CONTINUING AVAILABILITY OF SUFFICIENT BORROWING CAPACITY OR OTHER FINANCING TO FUND OPERATIONS, VOLATILITY IN AND DISRUPTION TO THE GLOBAL ECONOMIC ENVIRONMENT, THE PRICES AT WHICH THE COMPANY CAN SELL ITS PRODUCTS, ADVERSE CREDIT CONDITIONS, COMPETITION AND PRICING PRESSURE, THE AVAILABILITY AND COST OF RAW MATERIALS, SHIFTS IN CUSTOMER AND CONSUMER PREFERENCES INCLUDING SHIFTS IN DEMAND FROM PREMIUM TO VALUE BRANDS OR SHIFTS IN DEMAND FROM DOMESTIC TO FOREIGN MADE

VEHICLES, CRUDE OIL AND ENERGY PRICES, RELATIONSHIPS WITH LARGE SUPPLIERS AND CUSTOMERS INCLUDING RISKS RELATING TO CONCENTRATION IN SALES, THE SHORT-TERM NATURE OF THE COMPANY'S CONTRACTS WITH CUSTOMERS, CHANGES IN CREDIT TERMS FROM SUPPLIERS, UNCERTAINTIES ASSOCIATED WITH THE COMPANY'S INTERNATIONAL OPERATIONS, CURRENCY EXCHANGE RATE FLUCTUATIONS, THE DEVELOPMENT OF NEW TECHNOLOGIES, ECONOMIC DOWNTURN, NATURAL DISASTERS AND UNUSUAL WEATHER CONDITIONS, TERRORIST ACTIONS OR ACTS OF WAR, OPERATING EFFICIENCIES, LABOR RELATIONS AND POTENTIAL WORK STOPPAGES, ACTIONS OF GOVERNMENTAL BODIES AND OTHER BROADER MARKET AND COMPETITIVE CONDITIONS. HOLDERS OF CLAIMS AND INTERESTS ARE CAUTIONED THAT THE FORWARD-LOOKING STATEMENTS SPEAK AS OF THE DATE MADE AND ARE NOT GUARANTEES OF FUTURE PERFORMANCE. ACTUAL RESULTS OR DEVELOPMENTS MAY DIFFER MATERIALLY FROM THE EXPECTATIONS EXPRESSED OR IMPLIED IN THE FORWARD-LOOKING STATEMENTS. NO PARTY, INCLUDING, WITHOUT LIMITATION, THE DEBTORS OR THE REORGANIZED DEBTOR, UNDERTAKES AN OBLIGATION TO UPDATE ANY SUCH STATEMENTS.

A. GENERAL BANKRUPTCY LAW CONSIDERATIONS

1. *Failure to Obtain Confirmation of the Plan May Result in Liquidation or Alternative Plan on Less Favorable Terms*

Although the Debtors believe that the Plan will satisfy all requirements for confirmation under the Bankruptcy Code, there can be no assurance that the Bankruptcy Court will reach the same conclusion. Moreover, there can be no assurance that modifications to the Plan will not be required for confirmation or that such modifications would not be sufficiently material as to necessitate the resolicitation of votes on the Plan.

The Plan provides that the Debtors reserve the right to seek confirmation of the Plan under section 1129(b) of the Bankruptcy Code, to the extent applicable, in view of the deemed rejection by Classes H and I. In the event that any Class of Claims entitled to vote fails to accept the Plan in accordance with sections 1126(c) and 1129(a)(8) of the Bankruptcy Code, the Debtors reserve the right: (a) to request that the Bankruptcy Court confirm the Plan in accordance with section 1129(b) of the Bankruptcy Code; and/or (b) to modify the Plan in accordance with Section 13.9 thereof. While the Debtors believe that the Plan satisfies the requirements for non-consensual confirmation under section 1129(b) of the Bankruptcy Code because it does not "discriminate unfairly" and is "fair and equitable" with respect to the Classes that reject or are deemed to reject the Plan, there can be no assurance that the Bankruptcy Court will reach the same conclusion. In addition, there can be no assurance that any challenge to the requirements for non-consensual confirmation will not delay the Debtors' emergence from chapter 11 or prevent confirmation of the Plan.

If the Plan is not confirmed there can be no assurance that the Chapter 11 Cases will continue rather than be converted into chapter 7 liquidation cases or that any alternative plan or plans of reorganization would be on terms as favorable to the Holders of Claims against any of the Debtors as the terms of the Plan. If a liquidation or protracted reorganization of the

Debtors' Estates were to occur, there is a substantial risk that the Debtors' going concern value would be substantially eroded to the detriment of all stakeholders.

2. ***Risks Associated with Resolicitation***

In the event that the Debtors resolicit acceptances of the Plan from parties entitled to vote thereon, confirmation of the Plan could be delayed and possibly jeopardized. Nonconfirmation of the Plan could result in an extended chapter 11 proceeding, during which time the Debtors could experience significant deterioration in the Debtors' relationships with trade vendors and major customers.

3. ***Nonacceptance of the Plan-Confirmation by Nonconsensual "Cram Down"***

The Plan provides that two Classes of Claims and Interests are deemed to reject the Plan. The Bankruptcy Court nevertheless may confirm the Plan at the Debtors' request pursuant to the "cram down" provisions of the Bankruptcy Code if at least one impaired Class of Claims has accepted the Plan (with such acceptance being determined without including the acceptance of any "insider" in such Class) and, as to each impaired Class which has not accepted the Plan, the Bankruptcy Court determines that the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to such impaired class.

Although the Debtors believe that the Plan will meet such tests, the Debtors cannot assure you that the Bankruptcy Court would reach the same conclusion. If the Bankruptcy Court does not confirm the Plan, the Debtors may pursue one of the following alternatives: (i) confirmation of an alternative plan of reorganization under chapter 11 of the Bankruptcy Code, (ii) dismissal of the Chapter 11 Cases or (iii) liquidation of the Debtors under chapter 7 or chapter 11 of the Bankruptcy Code.

4. ***Undue Delay in Confirmation of the Plan May Disrupt the Debtors' Operations***

It is possible that the Chapter 11 Cases could evolve into lengthy and contested cases, the results of which cannot be predicted.

The Bankruptcy Court could decline to confirm the Plan if it were to find that any statutory conditions to confirmation had not been met, including that the terms of the Plan are fair and equitable to nonaccepting Classes. Section 1129 of the Bankruptcy Code sets forth the requirements for confirmation and requires, among other things, a finding by the Bankruptcy Court that the Plan "does not unfairly discriminate" and is "fair and equitable" with respect to any nonaccepting Classes, that the confirmation of the Plan is not likely to be followed by a liquidation or a need for further financial reorganization and that the value of distributions to nonaccepting Holders of Impaired Claims and Impaired Interests will not be less than the value of distributions such Holders would receive if the Company were liquidated under chapter 7 of the Bankruptcy Code. Although the Debtors believe that the Plan will meet such tests, there can be no assurance that the Bankruptcy Court would reach the same conclusion.

The confirmation and consummation of the Plan also are subject to certain other conditions. No assurance can be given that these conditions will be satisfied.

If the Plan is not confirmed in a timely manner, it is unclear whether the transactions contemplated thereby could be implemented and what Holders of Claims and Interests would ultimately receive in respect of their Claims and Interests. If an alternative plan of reorganization could not be agreed to, it is possible that the Debtors would have to liquidate their assets, in which case it is likely that Holders of Claims would receive less than they would have received pursuant to the Plan. Moreover, nonconfirmation of the Plan could result in an extended chapter 11 proceeding, during which time the Debtors could experience significant deterioration in their relationships with trade vendors and major customers. Furthermore, if the Effective Date is significantly delayed, there is a risk that certain material restructuring agreements may expire or be terminated in accordance with their terms.

5. *Alternatives to Confirmation and Consummation of the Plan*

There can be no assurance that the Plan will be confirmed or consummated. If the Debtors commence the Chapter 11 Cases and the Plan is not subsequently confirmed by the Bankruptcy Court and consummated, the alternatives include (i) confirmation of an alternative plan of reorganization under chapter 11 of the Bankruptcy Code, (ii) dismissal of the Chapter 11 Cases and (iii) liquidation of the Debtors under chapter 7 or chapter 11 of the Bankruptcy Code. The Debtors believe the Plan is significantly more attractive than these alternatives because the Debtors believe, among other things, that it will minimize disputes concerning their reorganization, significantly shorten the time required to accomplish the reorganization, reduce the expenses of a case under chapter 11 of the Bankruptcy Code, minimize the disruption to the Debtors' business that would result from a protracted and contested bankruptcy case and ultimately result in a larger distribution to creditors than would other types of reorganizations under chapter 11 of the Bankruptcy Code or a liquidation under chapter 7 of the Bankruptcy Code.

6. *Failure to Obtain Confirmation of the Plan May Result in Liquidation or Alternative Plan on Less Favorable Terms*

Although the Debtors believe that the Plan will satisfy all requirements for confirmation under the Bankruptcy Code, there can be no assurance that the Bankruptcy Court will reach the same conclusion. Moreover, there can be no assurance that modifications to the Plan will not be required for confirmation or that such modifications would not be sufficiently material as to necessitate the resolicitation of votes on the Plan.

The Plan provides that the Debtors reserve the right to seek confirmation of the Plan under section 1129(b) of the Bankruptcy Code, to the extent applicable, in view of the deemed rejection by Classes H and I. While the Debtors believe that the Plan satisfies the requirements for non-consensual confirmation under section 1129(b) of the Bankruptcy Code because it does not "discriminate unfairly" and is "fair and equitable" with respect to the Classes that are deemed to reject the Plan, there can be no assurance that the Bankruptcy Court will reach the same

conclusion. There can be no assurance that any such challenge to the requirements for non-consensual confirmation will not delay the Debtors' emergence from chapter 11 or prevent confirmation of the Plan.

If the Plan is not confirmed, there can be no assurance that the Chapter 11 Cases will continue rather than be converted into chapter 7 liquidation cases or that any alternative plan or plans of reorganization would be on terms as favorable to the Holders of Claims against either of the Debtors as the terms of the Plan. If a liquidation or protracted reorganization of the Debtors' Estates were to occur, there is a substantial risk that the Debtors' going concern value would be substantially eroded to the detriment of all stakeholders.

B. OTHER RISK FACTORS, INCLUDING RISKS RELATING TO THE DEBTORS' BUSINESS

1. *Variances from Projections May Affect Ability to Pay Obligations*

The Debtors have prepared the projected financial information contained in this Disclosure Statement relating to the Reorganized Debtor in connection with the development of the Plan and in order to present the anticipated effects of the Plan and the transactions contemplated thereby. The Projections are intended to illustrate the estimated effects of the Plan and certain related transactions on the results of operations, cash flow and financial position of the Reorganized Debtor for the periods indicated. The Projections are qualified by the introductory paragraphs thereto and the accompanying assumptions, and must be read in conjunction with such introductory paragraphs and assumptions, which constitute an integral part of the Projections. The Projections are based upon a variety of assumptions as set forth therein, and the Reorganized Debtor's future operating results are subject to and likely to be affected by a number of factors, including significant business, economic and competitive uncertainties, many of which are beyond the control of the Reorganized Debtor. In addition, unanticipated events and circumstances occurring subsequent to the date of this Disclosure Statement many affect the actual financial results of the Reorganized Debtor's operations. Accordingly, actual results may vary materially from those shown in the Projections, which may adversely affect the ability of the Reorganized Debtor to pay the obligations owing to certain Holders of Claims and Interests entitled to distributions under the Plan and other indebtedness incurred after confirmation of the Plan.

Management believes that the industries in which the Reorganized Debtor will be operating are volatile due to numerous factors, all of which make accurate forecasting very difficult. Although it is not possible to predict all risks associated with the Projections and their underlying assumptions, there are some risks which management is presently able to identify. The Projections assume that all aspects of the Plan will be successfully implemented on the terms set forth in this Disclosure Statement and that the publicity associated with the bankruptcy proceeding contemplated by the Plan will not adversely affect the Reorganized Debtor's operating results. There can be no assurance that these two assumptions are accurate, and the failure of the Plan to be successfully implemented, or adverse publicity, could have a materially detrimental effect on the Reorganized Debtor's business, results of operations and financial condition.

Moreover, the Projections were not prepared with a view toward public disclosure or with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information. Rather, the Projections were developed in connection with the planning, negotiation and development of the Plan. The Reorganized Debtor does not undertake any obligation to update or otherwise revise the Projections to reflect events or circumstances existing or arising after the date of this Disclosure Statement or to reflect the occurrence of unanticipated events. In management's view, however, the Projections were prepared on a reasonable basis and represent a reasonable view of the expected future financial performance of the Reorganized Debtor after the Effective Date. Nevertheless, the Projections should not be regarded as a representation, guaranty or other assurance by the Debtors, the Reorganized Debtor or any other person that the Projections will be achieved and holders are therefore cautioned not to place undue reliance on the projected financial information contained in this Disclosure Statement.

2. *Volatility in and Disruption to the Global Economic Environment May Materially and Adversely Affect the Debtors' Business, Financial Condition and Results of Operations.*

The state of the global economy has an impact on consumer discretionary spending and driving habits, both of which affect the demand for the Debtors' automotive products. Consumer driving habits are impacted by economic conditions with weak conditions generally leading to a reduction in miles driven. The increases in miles driven in recent years have been small and intermittent. In addition, demand for automotive products such as the Debtors' is linked to consumer demand for automobiles, which is impacted by the economic environment. Difficult economic conditions may cause changes to the business models, products, financial condition or consumer financing and rebate programs of the OEMs, adversely affecting the number of cars produced and purchased. If economic conditions deteriorate, consumer demand for automotive products may decline which may result in a material adverse impact on the Debtors' business and operating results.

3. *The Economic Environment and Adverse Credit Market Conditions May Significantly Affect the Debtors' Ability to Meet Liquidity Needs and May Materially and Adversely Affect the Financial Soundness of the Debtors' Customers and Suppliers.*

Volatility and disruption in the capital and credit markets may exert downward pressure on the availability of liquidity and credit capacity for many companies. The Debtors' need liquidity to pay their operating expenses, interest on their debt and capital expenditures. Without sufficient liquidity, the Debtors' will be forced to curtail their operations and their business will suffer. In addition to the potential liquidity risks the Debtors' face, some of their customers and suppliers could experience serious cash flow problems and, as a result, may find it difficult to obtain financing, if financing is available at all.

4. *The Debtors Face Competition and Increasing Pricing Pressure in Their Markets and, Therefore, Lower-Cost Production and Successful Cost Savings Actions May be Required to be Able to Compete Effectively.*

The Debtors operate in some very competitive markets and the Debtors compete against numerous different types of businesses, some of which have greater financial or other resources than they do. The trend toward consolidation and bankruptcies among automotive parts suppliers is resulting in fewer, larger suppliers who benefit from purchasing and distribution economies of scale. If the Debtors cannot achieve cost savings and operational improvements sufficient to allow them to compete favorably in the future with these larger companies, the Debtors' financial condition and results of operations could be adversely affected due to a reduction of, or inability to increase, sales. In addition, price competition from light vehicle aftermarket suppliers, particularly those based in Asia and other locations with lower production costs, have historically played a role and are playing an increasing role in the aftermarket channels in which the Debtors compete.

5. *Assumptions Regarding Value of the Debtors' Assets May Prove Incorrect*

It has been generally assumed in the preparation of the Projections that the historical book value of the Debtors' assets approximates those assets' fair value, except for specific adjustments. For financial reporting purposes, the fair value of the Debtors' assets must be determined as of the Effective Date. This determination will be based on an independent valuation. Although the Debtors do not presently expect this valuation to result in values that are materially greater or less than the values assumed in the preparation of the Projections, the Debtors can make no assurances with respect thereto.

6. *Historical Financial Information May Not Be Comparable*

As a result of the consummation of the Plan and the transactions contemplated thereby, as well as the recent unwinding of the joint services agreements with the Debtors' former affiliates Rank and APH, the financial condition and results of operations of the Reorganized Debtors from and after the Effective Date may not be comparable to the financial condition or results of operations reflected in the Debtors' historical financial statements.

7. *Market and Business Risks May Adversely Affect Business Performance*

In the normal course of business, the Debtors are subject to the following types of risks and variables, which the Debtors anticipate may materially affect their business performance following the Effective Date:

- The Debtors' ability to generate cost savings and manufacturing and operational efficiencies sufficient to achieve the financial performance set forth in the Projections, including, but not limited to, initiatives to obtain new business and to generate and manage working capital consistent with the Projections and the underlying assumptions thereto;

- The continued introduction of new and improved products, which include original equipment water and fuel pumps with increased reliability and durability, and

increased intervals for oil changes, pose downward pressure on the Debtors' revenues related to aftermarket parts;

- The ability of the Debtors to replace key original equipment programs which have long sales cycles creates a risk to the projected revenue and profitability;

- Increased crude oil and energy prices and overall global economic conditions could reduce demand for and use of automobiles, which could have an adverse effect on the Debtors' revenue and profitability;

- The shift in demand from premium to value brands may require the Debtors to produce value products at the expense of premium products, resulting in lower prices, thereby decreasing net sales and reducing margins;

- Entering new markets and developing new products require increased investment and pose commercial risks;

- Variations in the financial or operational condition of the Debtors' significant customers and suppliers pose a risk to continued sales and continuity of supply;

- Contracts with customers are generally short-term and do not require the purchase of a minimum amount;

- The loss of a number of suppliers could adversely affect results of operations;

- Customers deciding to source product from suppliers in low-cost countries could adversely affect revenue and profitability;

- Materials shortages, shipping and distribution delays or other difficulties in markets where the Debtors purchase supplies for the manufacturing of their products;

- Significant work stoppages (whether at the Debtors' facilities or at the facilities of the Debtors' customers), disputes or any other difficulties in labor markets where the Debtors obtain materials necessary for the manufacturing of their products or where their products are manufactured, distributed or sold;

- Increased availability of lower-priced alternatives to the Debtors' products;

- Fluctuations in interest rates;

- The Debtors maintain a global operation including manufacturing facilities outside of the United States as well as key sourcing of components on a worldwide basis subjecting to Debtors to uncertainties related to the political, labor, security, and currency environment in multiple countries such as China, Mexico, and Spain, which could affect the Debtors' operating results;

- International operations being subject to uncertainties that could affect the Debtors' operating results;
- Risks associated with changing manufacturing techniques, which could place the Debtors at a competitive disadvantage;
- Changes or imbalances in currency exchange and other rates;
- Increased operating costs;
- Changes in prices and supply of raw materials and component costs;
- Changes in credit terms offered by the Debtors' suppliers;
- Consolidation of the Debtors' customers;
- An inability to sell receivables pursuant to factoring arrangements;
- The Debtors' ability to obtain Cash adequate to funds their needs, including the borrowings available under the First Lien Exit Facility and Second Lien Exit Facility or Second Lien Rights Offering;
- Pension liabilities adversely impacting the Debtors' business;
- Risks that the Debtors' intellectual property may be misappropriated or subject to claims of infringement;
- A breach of information security, including a cybersecurity breach or failure of one or more key information technology systems, networks, processes, associated sites or service providers could have a material adverse impact on the Debtors' business or reputation;
- Various worldwide economic and political factors, changes in economic conditions, currency fluctuations and devaluations, credit risks in foreign markets or political instability in foreign countries where the Debtors have manufacturing operations or suppliers;
- Physical damage to or loss of significant manufacturing or distribution property, plant and equipment due to fire, weather or other factors beyond the Debtors' control;
- Legislative activities of governments, agencies and similar organizations, both in the United States and in foreign countries, that may affect the operations of the Debtors;

- Legal actions and claims of undetermined merit and amount involving, among other things, product liability, recalls of products manufactured or sold by the Debtors and environmental and safety issues involving the Debtors' products or facilities; and

- Possible terrorist attacks or acts of aggression or war, which could exacerbate other risks such as slowed production or interruptions in the shipping and distribution systems.

8. *The Debtors' Relationships with Advance, AutoZone, General Motors and Ford Create Risks Associated with Concentrated Net Sales Sources; Failure to Maintain Customer Relationships May Adversely Affect Financial Results.*

The Debtors generate a large percentage of their net sales from business with Advance, AutoZone and General Motors, but the Debtors cannot be certain that they will continue to purchase from the Debtors. Net sales to these three customers accounted for 39.8%, 42.6% and 39.9% of the Company's total net sales for the years ended December 31, 2015, 2014 and 2013, respectively. In 2016, year to date through June, these three customers, plus Ford Motor Company, represent 44.2% of net sales. The loss of one or more major customers, or a material reduction in sales to these customers as a result of competition or other factors, would have a material adverse effect on the Company's results of operations.

9. *Net Sales to Non-Debtor Affiliates May Decline and Adversely Affect Financial Results*

As a result of the recent unwinding of the joint services agreements with the Debtors' former affiliates Rank and APH, net sales to certain non-Debtor affiliates will likely be impacted. In 2016, year to date through June, the Debtors had sales to their APH of approximately $23.5 million, which is expected to decline over time. A material reduction in sales to APH could have a material adverse impact on the Company's results of operations.

10. *Failure to Attract and Maintain the Types of Employees the Debtors Need to Remain Competitive May Adversely Affect Financial Results*

Among the Debtors' most valuable assets are their highly skilled professionals who have the ability to leave the Debtors and deprive the Debtors of valuable skills and knowledge that contribute substantially to their business operations. The Debtors' continued operation depends in part on the ability to recruit, retain and motivate highly skilled sales, marketing and engineering personnel. Competition for persons in the Debtors' industry is intense and the Debtors may not be able to successfully recruit, train or retain qualified personnel. Although the Debtors have tried to maintain the confidence and dedication of their personnel through the pendency of the Chapter 11 Cases, the Debtors cannot be sure that they will ultimately be able to do so and, if not, that they will be able to replace such personnel with comparable personnel. In addition, the Debtors cannot be sure that such key personnel will not leave after consummation of the Plan and emergence from chapter 11. Further attrition may hinder the Reorganized

Debtors' ability to operate efficiently, which could have a material adverse effect on their results of operations and financial condition.

11. *Environmental, Health and Safety Laws and Regulations May Impose Significant Compliance Costs and Liabilities on the Debtors and Cost of Compliance with Government Regulation May Adversely Affect Financial Results*

The Debtors are subject to many environmental, health and safety laws and regulations governing emissions to air, discharges to water, the generation, handling and disposal of waste and the investigation and cleanup of contaminated properties. The Debtors are also subject to various additional foreign, federal, state and local laws and regulations that affect the conduct of their operations. The Debtors cannot assure you that compliance with these laws and regulations or the adoption of modified or additional laws and regulations will not require large expenditures by the Debtors or otherwise have a significant effect on the Debtors' financial condition or results of operations.

12. *Other Suppliers May Have a Competitive Advantage*

The markets in which the Debtors operate are highly competitive. The Debtors' ability to be an effective competitor will depend upon the Debtors' competitiveness on the basis of a number of considerations, including product performance, quality of customer service and support, timely delivery and price. Customers demand a broad product range, and the Debtors must continue to develop the Debtors' expertise in order to manufacture and market these products successfully. Although the Debtors have significant market positions in each of the Debtors' product lines, current customers may not continue to purchase the Debtors' products, and the Debtors may not be successful in preventing customers from seeking alternative suppliers due to continuing downward price pressure in the markets that the Debtors operate in, possibly resulting in lost revenue.

C. RISKS RELATED TO ISSUANCE OF NEW COMMON STOCK

The ultimate recoveries under the Plan to Holders of Claims in Classes D & E that elect to receive New Common Stock and its Pro Rata Allocation of Litigation Trust Units pursuant to the Plan will depend on the realizable value of the New Common Stock. The securities to be issued pursuant to the Plan, including the New Common Stock, are subject to a number of material risks, including, but not limited to, those specified below. Prior to voting on the Plan, each Holder of Claims in Classes D & E should carefully consider the risk factors specified or referred to below, as well as all of the information contained in the Plan.

1. *No Trading Market for the New Common Stock May Develop.*

On the Effective Date, the New Common Stock will not be listed for pubic trading on any securities exchange, the Reorganized Debtors will not be reporting companies under the Securities Exchange Act of 1934, and the Reorganized Debtors shall not be required to file reports with the SEC or any other governmental entity. Therefore, it is unclear what market, if

any, will develop for the New Common Stock. As such, the New Common Stock may constitute a highly illiquid investment.

2. *There may be risks related to the issuance of the New Common Stock.*

In connection with the restructuring pursuant to the Plan under chapter 11 of the Bankruptcy Code, the Debtors will rely on section 1145 of the Bankruptcy Code to exempt the issuance of the New Common Stock from the registration requirements of the Securities Act (and of any state securities or "blue sky" laws). Section 1145 exempts from registration the sale of a debtor's securities under a chapter 11 plan if such securities are offered or sold in exchange for a claim against, or equity interest in, or a claim for an administrative expense in a case concerning, such debtor. In reliance upon this exemption, the issuance of the New Common Stock will generally be exempt from the registration requirements of the Securities Act. Accordingly, recipients will be able to resell the New Common Stock without registration under the Securities Act or other federal securities laws, unless the recipient is an "underwriter" with respect to such securities, within the meaning of section 1145(b) of the Bankruptcy Code.

Section 1145(b) of the Bankruptcy Code defines "underwriter" as one who (a) purchases a claim with a view to distribution of any security to be received in exchange for the claim, or (b) offers to sell securities issued under a plan for the holders of such securities, or (c) offers to buy securities issued under a plan from persons receiving such securities, if the offer to buy is made with a view to distribution, or (d) is an "issuer" of the relevant security, as such term is used in Section 2(11) of the Securities Act.

Notwithstanding the foregoing, statutory underwriters may be able to sell securities without registration pursuant to the non-exclusive safe harbors provided in Rule 144 and/or Rule 144A under the Securities Act. Parties that believe that they may be statutory underwriters as defined in section 1145(b) of the Bankruptcy Code are advised to consult with their own counsel as to the availability and requirements of the non-exclusive exemptions provided by Rule 144 and Rule 144A. There can be no assurance that any market for the New Common Stock will develop or be sustained. If an active market does not develop or is not sustained, the market price and liquidity of the New Common Stock may be adversely affected. The liquidity of any market for the New Common Stock will depend on a number of factors, including, without limitation:

- the number of holders of the New Common Stock;
- the Reorganized Debtors' operating performance and financial condition;
- the market for similar securities;
- the Reorganized Debtors' credit rating; and
- the interest of securities dealers in making a market in the New Common Stock.

3. *Value of New Common Stock May Be Diluted*

The Debtors contemplate the issuance of warrants under the Plan. The issuance of options or warrants to purchase New Common Stock or the issuance of additional shares of New Common Stock following the Effective Date would dilute the ownership percentage represented by the New Common Stock distributed pursuant to the Plan.

4. *Concentration of Ownership of Voting Stock*

After the Effective Date, the Debtors anticipate that a majority of the New Common Stock of New Holdings will be owned by a small number of holders. As a result, and pursuant to the terms of the Certificate of Incorporation and the Shareholders Agreement, these stockholders will have significant voting power, and such holders may exercise any resulting voting power in their own interests and not necessarily in the interests of other stakeholders of Reorganized UCI. The extent of ownership by these stockholders also may discourage a potential acquirer from making an offer to acquire the Reorganized Debtors and could result of deterring, delaying or preventing a beneficial change of control. Reduced likelihood of an acquisition could reduce the value of the New Common Stock.

X. CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A. INTRODUCTION

The following discussion is a summary of certain U.S. federal income tax consequences of the Consummation of the Plan to the Debtors and to certain Holders of Claims. Except as otherwise described herein, the following summary does not address the U.S. federal income tax consequences to Holders of Claims not entitled to vote to accept or reject the Plan. This summary is based on the IRC, the U.S. Treasury Regulations promulgated thereunder, judicial authorities, published administrative positions of the U.S. Internal Revenue Service (the "IRS") and other applicable authorities, all as in effect on the date of this Disclosure Statement and all of which are subject to change or differing interpretations, possibly with retroactive effect. Legislative, judicial or administrative changes or interpretations hereafter enacted could alter or modify the analysis and conclusions set forth below. Due to the lack of definitive judicial and administrative authority in a number of areas, substantial uncertainty may exist with respect to some of the tax consequences described below. No opinion of counsel has been obtained and the Debtors do not intend to seek a ruling from the IRS as to any of the tax consequences of the Plan discussed below. The discussion below is not binding upon the IRS or the Bankruptcy Courts. No assurance can be given that the IRS would not assert, or that a Bankruptcy Court would not sustain, a different position than any position discussed herein. Except as otherwise discussed herein, this summary does not address the U.S. federal income tax consequences to Holders of Claims that are not "United States persons" (within the meaning of section 7701(a)(30) of the IRC). This discussion does not purport to address all aspects of U.S. federal income taxation that may be relevant to the Debtors or to certain Holders in light of their individual circumstances. This discussion does not address tax issues with respect to Holders subject to special treatment under the U.S. federal income tax laws (including, for example, banks, governmental authorities or agencies, pass-through entities, subchapter S corporations, dealers and traders in securities, insurance companies, financial institutions, tax-exempt organizations, small business investment companies, foreign taxpayers, persons who are related to the Debtors within the meaning of the IRC, persons using a mark-to-market method of accounting, Holders of Claims who are themselves in bankruptcy, and regulated investment companies and those holding, or who will hold, Claims, debt of Reorganized UCI, New Common Stock, or New Common Stock Warrants as part of a hedge, straddle, conversion, or other integrated transaction). No aspect of state,

local, estate, gift, or non-U.S. taxation is addressed. Furthermore, this summary assumes that a Holder of a Claim holds only Claims in a single Class and that each Holder holds its Claim as a "capital asset" (within the meaning of section 1221 of the IRC). In addition, this summary does not discuss the consequences of owning New Common Stock. Except as stated otherwise, this summary also assumes that the various debt and other arrangements to which the Debtors are a party will be respected for U.S. federal income tax purposes in accordance with their form.

The discussion herein does not address the consequences to the Backstop Parties resulting from their Backstop Commitment pursuant to the Backstop Agreement, including any changes to such Holders to the expected tax treatment described herein for transactions pursuant to the Plan. The Backstop Parties are urged to consult their own tax advisors as to the expected tax consequences to them of participating in the Backstop Commitment.

ACCORDINGLY, THE FOLLOWING SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. ALL HOLDERS OF CLAIMS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS FOR THE FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF THE PLAN.

B. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO THE DEBTORS

1. *Cancellation of Debt and Reduction of Tax Attributes*

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

A debtor will not, however, be required to include any amount of COD Income in gross income if the debtor is under the jurisdiction of a bankruptcy court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, a debtor must reduce its tax attributes by the amount of COD Income that it excluded from gross income. In general, tax attributes will be reduced in the following order: (a) NOLs; (b) most tax credits; (c) capital loss carryovers; (d) tax basis in assets; (e) passive activity loss and credit carryovers; and (f) foreign tax credits. A debtor with COD Income may elect first to reduce the basis of its depreciable assets pursuant to section 108(b)(5) of the IRC. Absent such election, a debtor's tax basis in its assets cannot be reduced below the total amount of its liabilities outstanding immediately after the discharge. In the context of a group of corporations filing a consolidated federal income tax return, special rules apply to determine how the tax attributes of the group are reduced.

Because the Plan provides that Holders of Allowed Senior Note Loan Claims and Allowed General Unsecured Claims will receive New Common Stock, the amount of COD Income, and accordingly the amount of tax attributes required to be reduced, will depend in part on the fair market value of the New Common Stock. This value cannot be known with certainty until after the Effective Date. However, as a result of the Consummation of the Plan, the Debtors currently expect that their federal NOLs (estimated to be approximately $[•] as of the Petition Date) may be eliminated and there may be material reductions in, or elimination of, other tax attributes. The Debtors do not currently anticipate making the election under section 108(b)(5) of the IRC to reduce basis in depreciable assets prior to reducing NOLs.

2. *Limitation of Tax Attributes*

As noted above, the Debtors currently expect that their federal NOLs may be eliminated as a result of the bankruptcy exception to inclusion of COD Income. In addition to NOLs, the Debtors have a capital loss carryover of approximately [____] and significant tax basis in assets. The amount of remaining tax attributes that will be available to the Reorganized Debtors at emergence is based on a number of factors and is impossible to calculate at this time. Some of the factors that will impact the amount of available tax attributes include: (a) the amount of tax losses incurred by the Debtors in 2016; (b) the fair market value of the New Common Stock; and (c) the amount of COD Income incurred by the Debtors in connection with Consummation of the Plan.

C. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO HOLDERS OF CLAIMS

The U.S. federal income tax consequences of the Plan to Holders of Claims, including the character and amount of income, gain or loss recognized as a consequence of the Plan, will depend upon, among other things, (i) the manner in which a Holder acquired a Claim; (ii) the length of time the Claim has been held; (iii) whether the Claim was acquired at a discount; (iv) whether the Holder has taken a bad debt deduction with respect to the Claim (or any portion thereof) in the current or prior years; (v) whether the Holder has previously included in income accrued but unpaid interest with respect to the Claim; (vi) the method of tax accounting of the Holder; (vii) whether the Claim is an installment obligation for U.S. federal income tax purposes; and (viii) whether the Claim is a capital asset in the hands of the Holder.

EACH HOLDER OF A CLAIM AFFECTED BY THE PLAN IS STRONGLY URGED TO CONSULT ITS OWN TAX ADVISORS REGARDING THE SPECIFIC TAX CONSEQUENCES OF THE TRANSACTIONS DESCRIBED HEREIN AND IN THE PLAN.

1. *General*

A Holder of a Claim may recognize ordinary income or loss with respect to any portion of its Claim attributable to accrued but unpaid interest. A Holder who did not previously include in income accrued but unpaid interest attributable to its Claim, and who receives a distribution on account of its Claim pursuant to the Plan, will be treated as having received interest income to the extent that any consideration received is characterized for U.S. federal income tax purposes as a payment of interest, regardless of whether such Holder realizes an overall gain or loss as a

result of surrendering its Claim. In general, a Holder that previously included in its income accrued but unpaid interest attributable to its Claim will recognize an ordinary loss to the extent that such accrued but unpaid interest is not satisfied, regardless of whether such Holder realizes an overall gain or loss as a result of the distribution it may receive under the Plan on account of its Claim. Although the manner in which consideration is to be allocated between accrued interest and principal for these purposes is unclear under present law, the Debtors intend to allocate for U.S. federal income tax purposes the consideration paid pursuant to the Plan with respect to a Claim first to the principal amount of such Claim as determined for U.S. federal income tax purposes and then to accrued interest, if any, with respect to such Claim. Accordingly, in cases where a Holder receives consideration in an amount that is less than the principal amount of its Claim, the Debtors intend to allocate the full amount of consideration transferred to such Holder to the principal amount of such obligation and to take the position that no amount of the consideration to be received by such Holder is attributable to accrued interest. There is no assurance that such allocation will be respected by the IRS for U.S. federal income tax purposes.

Subject to the foregoing rules relating to accrued interest, gain or loss recognized for U.S. federal income tax purposes as a result of the consummation of the Plan by Holders of Claims or Interests that hold their Claims or Interests as capital assets generally will be treated as a gain or loss from the sale or exchange of such capital asset. Capital gain or loss will be long-term if the Claim or Interest was held by the Holder for more than one year and otherwise will be short-term. Any capital losses realized generally may be used by a corporate Holder only to offset capital gains, and by an individual Holder only to the extent of capital gains plus $3,000 of other income.

2. *Market Discount*

The market discount provisions of the IRC may apply to Holders of certain Claims. In general, a debt obligation that is acquired by a holder in the secondary market is a "market discount bond" as to that holder if its stated redemption price at maturity (or, in the case of a debt obligation having original issue discount, its revised issue price) exceeds, by more than a statutory de minimis amount, the tax basis of the debt obligation in the holder's hands immediately after its acquisition (any such excess, "market discount"). In general, a market discount obligation is treated as having accrued market discount as of any date equal to the total market discount multiplied by a fraction, the numerator of which is the number of days the holder has owned the market discount obligation and the denominator of which is the total number of days that remained until maturity at the time the holder acquired the market discount obligation. If a Holder has Claims with accrued market discount and such Holder realizes gain upon the exchange of its Claims for property pursuant to the Plan, such Holder may be required to include as ordinary income the amount of such accrued market discount to the extent of such realized gain. Holders who have Claims with accrued market discount should consult their tax advisors as to the application of the market discount rules to them in view of their particular circumstances. In particular, Holders of Claims that are "securities" for U.S. federal income tax purposes and that are exchanged for New Common Stock should consult their tax advisors regarding recognition of ordinary income upon a subsequent disposition of such New Common Stock. See "Definition of Security," below.

3. *Definition of "Security"*

The term "security" is not defined in the IRC or in the Treasury Regulations. Whether an instrument constitutes a "security" for U.S. federal income tax purposes is determined based on all of the facts and circumstances. Certain authorities have held that one factor to be considered is the length of the initial term of the debt instrument. These authorities have indicated that an initial term of less than five years is evidence that the instrument is generally not a security, whereas an initial term of ten years or more is evidence that it is a security. Treatment of an instrument with an initial term between five and ten years is generally unsettled. Numerous factors other than the term of an instrument could be taken into account in determining whether a debt instrument is a security, including, but not limited to, whether repayment is secured, the level of creditworthiness of the obligor, whether the instrument is subordinated, whether the holders have the right to vote or otherwise participate in the management of the obligor, whether the instrument is convertible into an equity interest, whether payments of interest are fixed, variable or contingent and whether such payments are made on a current basis or are accrued.

4. *Bad Debt and/or Worthless Securities Deduction*

A Holder who, under the Plan, receives in respect of a Claim an amount less than the Holder's tax basis in the claim may be entitled in the year of receipt (or in an earlier or later year) to a bad debt deduction in some amount under section 166(a) of the IRC or a worthless securities deduction under section 165(g) of the IRC. The rules governing the character, timing and amount of bad debt or worthless securities deductions place considerable emphasis on the facts and circumstances of the Holder, the obligor and the instrument with respect to which a deduction is claimed. Holders of Claims, therefore, are urged to consult their tax advisors with respect to their ability to take such a deduction.

5. *Holders that are Non-United States Persons*

Holders of Claims that are not "United States persons" (within the meaning of section 7701(a)(30) of the IRC) generally will not be subject to U.S. federal income tax with respect to property (including Cash) received in exchange for such Claims and/or Interests, unless (i) such Holder is engaged in a trade or business in the United States to which income, gain or loss from the exchange is "effectively connected" for U.S. federal income tax purposes, or (ii) if such Holder is an individual, such Holder is present in the United States for 183 days or more during the taxable year of the exchange and certain other requirements are met.

6. *Withholding and Reporting*

The Debtors will withhold all amounts required by law to be withheld from payments of interest. The Debtors will comply with all applicable reporting requirements of the IRC. In general, information reporting requirements may apply to distributions or payments made to a Holder of a Claim or Interest. Additionally, backup withholding, currently at a rate of twenty-eight percent (28%), will generally apply to such payments if a Holder fails to provide an accurate taxpayer identification number or otherwise fails to comply with the applicable requirements of the backup withholding rules. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a credit against such

Holder's U.S. federal income tax liability and may entitle such Holder to a refund from the IRS, provided that the required information is provided to the IRS.

In addition, from an information reporting perspective, U.S. 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's claiming a loss in excess of specified thresholds. Holders are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the Holders' tax returns.

7. *FATCA*

Pursuant to sections 1471 through 1474 of the IRC (commonly referred to as "FATCA"), foreign financial institutions (which term includes most foreign hedge funds, private equity funds, mutual funds, and other investment vehicles) and certain other foreign entities who do not comply with certain information reporting rules with respect to their U.S. account holders investors or owners may be subject to a withholding tax on U.S.-source payments made to them (whether received as a beneficial owner or as an intermediary for another party). A foreign financial institution or such other foreign entity that does not comply with the FATCA reporting requirements generally will be subject to a 30% withholding tax with respect to any "withholdable payments." For this purpose, "withholdable payments" are any U.S.-source payments of fixed or determinable, annual or periodical income (including distributions, if any, on New Common Stock) and also include the entire gross proceeds from the sale or other disposition of any type which can produce U.S.-source interest or dividends (which would include New Common Stock). Under the Treasury regulations, withholding under FATCA will generally apply to payments of U.S.-source dividends on New Common Stock, although withholding will not apply to gross proceeds from dispositions of New Common Stock occurring prior to January 1, 2019. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Holders are urged to consult with their own tax advisors regarding the effect, if any, of the FATCA provisions to them based on their particular circumstance.

THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. THE FOREGOING SUMMARY HAS BEEN PROVIDED FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT DISCUSS ALL ASPECTS OF FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER IN LIGHT OF SUCH HOLDER'S CIRCUMSTANCES AND INCOME TAX SITUATION. ALL HOLDERS OF CLAIMS SHOULD CONSULT WITH THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL OR NON-U.S. TAX LAWS, AND OF ANY CHANGE IN APPLICABLE TAX LAWS.

D. RESERVATION OF RIGHTS

The foregoing discussion is subject to change (possibly substantially) based on, among other things, subsequent changes to the Plan and events that may subsequently occur that may impact the timeline for the transactions contemplated by the Plan. The Debtors and the Debtors' advisors reserve the right to modify, revise, or supplement this discussion and other tax related sections of the Plan and Disclosure Statement in accordance with the terms of the Plan and the Bankruptcy Code.

XI. CERTAIN FEDERAL AND STATE SECURITIES LAW CONSIDERATIONS

A. EXEMPTION FROM REGISTRATION REQUIREMENTS FOR NEW SECURITIES

The Debtors are relying upon section 4(a)(2) of the Securities Act and rule 506 thereunder and similar provisions of applicable state securities laws to except the offer of the New Common Stock from the registration requirements of the Securities Act and applicable state securities laws. The Debtors will rely on section 1145 of the Bankruptcy Code to exempt the issuance of the New Common Stock, from the registration requirements of the Securities Act and of any state securities laws. Section 1145 of the Bankruptcy Code exempts from registration the offer or sale of securities of the debtor or a successor to a debtor under a chapter 11 plan if such securities are offered or sold in exchange for a claim against, or equity interest in, or a claim for an administrative expense in a case concerning, the debtor or a successor to the debtor under the Plan. The Debtors believe that [____] is a successor to the Debtors under the Plan for purposes of section 1145 of the Bankruptcy Code and that the sale of the New Common under the Plan satisfies the requirements of section 1145 and is therefore exempt from the registration requirements of the Securities Act and state securities laws.

B. SUBSEQUENT TRANSFER OF NEW SECURITIES

In general, recipients of the New Common Stock will be able to resell the New Common Stock without registration under the Securities Act or other federal securities laws pursuant to the exemption provided by Section 4(a)(1) of the Securities Act, unless the holder of such stock is an "underwriter" within the meaning of section 1145(b) of the Bankruptcy Code. In addition, the New Common Stock generally may be resold without registration under state securities laws pursuant to various exemptions provided by the respective laws of the several states. However, recipients of the New Common Stock issued under the Plan are advised to consult with their own legal advisors as to the availability of any such exemption from registration under state law in any given instance and as to any applicable requirements or conditions to such availability.

Section 1145(b) of the Bankruptcy Code defines "underwriter" as one who (a) purchases a claim with a view to distribution of any security to be received in exchange for such claim, (b) offers to sell securities issued under a plan for the holders of such securities, (c) offers to buy securities issued under a plan from persons receiving such securities, if the offer to buy is made with a view to distribution, or (d) is an "issuer" of the relevant security, as such term is used in Section 2(11) of the Securities Act. Under Section 2(11) of the Securities Act, an "issuer" includes any "affiliate" of the issuer, which means any person directly or indirectly through one or more intermediaries controlling, controlled by or under common control with the issuer.

To the extent that recipients of the New Common Stock under the Plan are deemed to be "underwriters," the resale of the New Common Stock by such persons would not be exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable laws. Persons deemed to be underwriters may, however, be permitted to sell such New Common Stock or other securities without registration pursuant to the provisions of Rule 144 under the Securities Act. This rule permits the public resale of securities received by "underwriters" pursuant to a chapter 11 plan subject to applicable conditions, which may include holding periods, availability of information regarding the issuer, volume limitations, restrictions on manner of sale, and/or notice requirements.

GIVEN THE COMPLEX NATURE OF THE QUESTION OF WHETHER A PARTICULAR PERSON MAY BE AN UNDERWRITER WITH RESPECT TO THE NEW COMMON STOCK, THE DEBTORS MAKE NO REPRESENTATIONS CONCERNING THE RIGHT OF ANY PERSON TO TRADE IN THE SHARES OF NEW COMMON STOCK ISSUED UNDER THE PLAN. THE DEBTORS RECOMMEND THAT HOLDERS OF CLAIMS CONSULT THEIR OWN COUNSEL CONCERNING WHETHER THEY MAY FREELY TRADE SUCH SECURITIES WITHOUT REGISTRATION UNDER THE SECURITIES ACT.

XII. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

If the Plan is not confirmed, the alternatives include (a) continuation of the Chapter 11 Cases and formulation of an alternative plan or plans of reorganization or (b) liquidation of the Debtors under Chapter 7 or Chapter 11 of the Bankruptcy Code. Each of these possibilities is discussed in turn below.

A. CONTINUATION OF THE CHAPTER 11 CASES

If the Debtors remain in Chapter 11, the Debtors could continue to operate their businesses and manage their properties as Debtors-in-Possession, but they would remain subject to the restrictions imposed by the Bankruptcy Code. It is not clear whether the Debtors could continue as viable going concerns in protracted Chapter 11 cases. The Debtors could have difficulty operating with the high costs of the chapter 11 process and the eroding confidence of their customers and trade vendors, if the Debtors remained in Chapter 11. The Debtors would also face risks of continued use of cash collateral and/or obtaining alternative financing. If the Debtors were able to obtain financing and continue as a viable going concern, the Debtors (or other parties in interest) could ultimately propose another plan or attempt to liquidate the Debtors under Chapter 7 or Chapter 11. Such plans might involve either a reorganization and continuation of the Debtors' businesses, or an orderly liquidation of their assets, or a combination of both.

B. LIQUIDATION UNDER CHAPTER 11 OR CHAPTER 7

If the Plan is not confirmed, the Debtors' Chapter 11 Cases could be converted to liquidation cases under Chapter 7 of the Bankruptcy Code. In Chapter 7, a trustee would be appointed to promptly liquidate the assets of the Debtors.

The Debtors believe that in a liquidation under Chapter 7, before creditors received any distributions, additional administrative expenses involved in the appointment of a trustee and attorneys, accountants, and other professionals to assist such trustee, along with an increase in expenses associated with an increase in the number of unsecured claims that would be expected, would cause a substantial diminution in the value of the Estates. The assets available for distribution to creditors and equity holders would be reduced by such additional expenses and by Claims, some of which would be entitled to priority, which would arise by reason of the liquidation and from the rejection of leases and other executory contracts in connection with the cessation of the Debtors' operations and the failure to realize the greater going concern value of the Debtors' assets.

The Debtors could also be liquidated pursuant to the provisions of a Chapter 11 plan of reorganization. In a liquidation under Chapter 11, the Debtors' assets could be sold in a more orderly fashion over a longer period of time than in a liquidation under Chapter 7. Thus, Chapter 11 liquidation might result in larger recoveries than in a Chapter 7 liquidation, but the delay in distributions could result in lower present values being received and higher administrative costs. Because a trustee is not required in a Chapter 11 case, expenses for professional fees could be lower than in a Chapter 7 case, in which a trustee must be appointed. Any distributions to the holders of Claims or Interests under a Chapter 11 liquidation plan probably would be delayed substantially.

XIII. CONCLUSION AND RECOMMENDATION

The Debtors and the Debtors believe that confirmation of the Plan is preferable to the alternatives described above because it provides the greatest distributions and opportunity for distributions to certain holders of Claims against the Debtors. In addition, any alternative to confirmation of the Plan could result in extensive delays and increased administrative expenses.

Accordingly, the Debtors urge all holders of Claims and Interests entitled to vote on the Plan to vote to accept the Plan and to evidence such acceptance by returning their Ballots so that they are received no later than [___] p.m., prevailing Eastern Time, on [____], 2016.

Dated: August 26, 2016

Respectfully submitted,

UCI INTERNATIONAL, LLC, on behalf of itself and each of the other Debtors

/s/ *Brian Whittman*
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