IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
J.L. FRENCH AUTOMOTIVE CASTINGS, INC.[1]	)	Case No. 09-12445 (KG)
	)	(Jointly Administered)
	)	
	)	
	)	

DISCLOSURE STATEMENT FOR THE DEBTORS' FIRST AMENDED JOINT PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

IMPORTANT DATES

- Voting Deadline by which Ballots and must be received: August 31, 2009, at 4:00 p.m. (E.D.T.)
- Deadline by which to file and serve objections to Confirmation of the Plan: August 31, 2009, at 4:00 p.m. (E.D.T.)
- Hearing on Confirmation of the Plan: September 3, 2009, at 10:00 a.m. (E.D.T.)

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Dated: August 17, 2009.

THE VOTING DEADLINE TO ACCEPT OR REJECT THE PLAN IS AUGUST 31, 2009, UNLESS THE DEBTORS EXTEND THE DEADLINE PRIOR TO THE VOTING DEADLINE. TO BE COUNTED, THE VOTING AGENT MUST RECEIVE YOUR BALLOT OR MASTER BALLOT BEFORE THE VOTING DEADLINE.

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[1] The Debtors in these cases along with the last four digits of each of the Debtors' federal tax identification numbers are: J.L. French Automotive Castings, Inc., (3670); French Holdings LLC, (0518); Nelson Metal Products LLC (4939); Allotech International LLC (5832); J.L. French LLC (8901); J.L. French Automotive, LLC (7075); Central Die, LLC (7793). The Debtors' headquarters and mailing address is: 3101 South Taylor Drive, Sheboygan, WI 53082.

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EXHIBITS: EXHIBITS B, C, AND D TO THIS DISCLOSURE STATEMENT ARE INCLUDED IN THE PLAN SUPPLEMENT.

THIS DISCLOSURE STATEMENT HAS BEEN SUBMITTED TO THE BANKRUPTCY COURT FOR APPROVAL, BUT IT HAS NOT YET BEEN APPROVED. THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE JOINT PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE (THE "PLAN"). ACCEPTANCES OR REJECTIONS OF THE PLAN MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT.

I.

INTRODUCTION

J.L. French Automotive Castings, Inc. ("J.L. French") and certain of J.L. French's direct-and-indirect subsidiaries identified on the title page above (collectively, the "Debtors"), as debtors and debtors-in-possession, submit this disclosure statement (the "Disclosure Statement"), pursuant to section 1125 of title 11 of the United States Code (the "Bankruptcy Code"), to Holders[2] of Claims and Equity Interests in connection with: (i) the solicitation of votes to accept or reject the *Debtors' First Amended Joint Plan of Reorganization under Chapter 11 of the United States Bankruptcy Code*, dated July 20, 2009, as the same may be amended from time to time (the "Plan"), which was filed by the Debtors with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") on July 20, 2009, and (ii) the Confirmation Hearing, which is scheduled for September 3, 2009, commencing at 10:00 a.m., E.D.T. A copy of the Plan is attached hereto as Exhibit A. As set forth in this Disclosure Statement, only those Holders of Claims in Classes 3, 4 and 5 who are entitled to vote on the Plan will receive this Disclosure Statement. All other Holders of Claims and Equity Interests will receive a notice of the Disclosure Statement, which will provide details on how to procure copies of this Disclosure Statement.

THE BOARD OF DIRECTORS OF J.L. FRENCH AUTOMOTIVE CASTINGS, INC., (THE "BOARD") RECOMMENDS THAT ALL CREDITORS ENTITLED TO VOTE SUBMIT A TIMELY BALLOT VOTING TO ACCEPT THE PLAN. THE BOARD AND THE RESPECTIVE MANAGERS OF THE DEBTORS HAVE UNANIMOUSLY APPROVED THE FILING AND SOLICITATION OF THE PLAN AND THE TRANSACTIONS CONTEMPLATED UNDER THE PLAN. THE BOARD BELIEVES THAT THE PLAN IS PREFERABLE TO ANY OF THE ALTERNATIVES DISCUSSED IN THIS DISCLOSURE STATEMENT BECAUSE: (A) THE PLAN PROVIDES FOR A LARGER DISTRIBUTION TO HOLDERS OF ALLOWED CLAIMS THAN WOULD OTHERWISE RESULT FROM A LIQUIDATION UNDER CHAPTER 7 OF THE BANKRUPTCY CODE; AND (B) THE PLAN PROVIDES FOR A GREATER DISTRIBUTION TO ALL HOLDERS OF CLAIMS JUNIOR TO THE FIRST LIEN LENDERS THAN WOULD OTHERWISE BE AVAILABLE IF THE BANKRUPTCY CODE'S "ABSOLUTE PRIORITY" RULE WERE STRICTLY ENFORCED. THE "ABSOLUTE PRIORITY" RULE PROVIDES, IN PERTINENT PART, THAT SENIOR CLASSES OF CLAIMS MUST BE SATISFIED BEFORE JUNIOR CLASSES RECEIVE ANY DISTRIBUTION. IN ADDITION, ANY ALTERNATIVE OTHER THAN CONFIRMATION OF THE PLAN COULD RESULT IN EXTENSIVE DELAYS AND INCREASED ADMINISTRATIVE EXPENSES RESULTING IN SMALLER DISTRIBUTIONS TO THE HOLDERS OF ALLOWED CLAIMS. INCLUDED WITH THIS DISCLOSURE STATEMENT IS A LETTER FROM THE DEBTORS RECOMMENDING THAT ALL HOLDERS OF CLAIMS AGAINST THE DEBTORS WHO ARE ENTITLED TO VOTE ON THE PLAN, TIMELY SUBMIT BALLOTS TO ACCEPT THE PLAN.

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[2] Unless otherwise defined in this Disclosure Statement, all capitalized terms used but not defined in this Disclosure Statement shall have the meanings ascribed to them in the Plan.

THE DEBTORS ARE MAKING THE STATEMENTS AND FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AS OF THE DATE THIS DISCLOSURE STATEMENT WAS FILED WITH THE BANKRUPTCY COURT. UNLESS OTHERWISE SPECIFIED, HOLDERS OF CLAIMS REVIEWING THIS DISCLOSURE STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THE DISCLOSURE STATEMENT WAS FILED. HOLDERS OF CLAIMS ENTITLED TO VOTE TO ACCEPT THE PLAN MUST RELY ON THEIR OWN EVALUATION OF THE DEBTORS AND THEIR OWN ANALYSIS OF THE TERMS OF THE PLAN, INCLUDING, BUT NOT LIMITED TO, ANY RISK FACTORS CITED HEREIN, IN DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN.

THE CONTENTS OF THIS DISCLOSURE STATEMENT ARE NOT INTENDED TO, AND MAY NOT BE DEEMED AS PROVIDING, ANY LEGAL, FINANCIAL, SECURITIES, TAX OR BUSINESS ADVICE. THE DEBTORS URGE EACH HOLDER OF A CLAIM TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY SUCH LEGAL, FINANCIAL, SECURITIES, TAX OR BUSINESS ISSUES IN REVIEWING THIS DISCLOSURE STATEMENT, THE PLAN AND EACH OF THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY.

THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE, AND MAY NOT BE CONSTRUED AS AN ADMISSION OF FACT OR LIABILITY, STIPULATION OR WAIVER. RATHER, HOLDERS SHOULD CONSTRUE THIS DISCLOSURE STATEMENT AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS RELATED TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS, AND OTHER PENDING OR THREATENED LITIGATION OR ACTIONS.

***SEE* ARTICLE XX OF THIS DISCLOSURE STATEMENT ENTITLED "CERTAIN RISK FACTORS AFFECTING THE DEBTORS" FOR A DISCUSSION OF VARIOUS FACTORS TO BE CONSIDERED IN DECIDING WHETHER TO ACCEPT OR REJECT THE PLAN.**

THE DEBTORS HAVE NOT AUTHORIZED ANY PARTY TO GIVE ANY INFORMATION ABOUT OR CONCERNING THE PLAN OTHER THAN THAT WHICH IS CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTORS HAVE NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT. HOLDERS OF CLAIMS SHOULD NOT RELY UPON ANY INFORMATION, REPRESENTATIONS OR OTHER INDUCEMENTS MADE TO OBTAIN ACCEPTANCE OF THE PLAN THAT ARE OTHER THAN, OR INCONSISTENT WITH, THE INFORMATION CONTAINED HEREIN AND IN THE PLAN. NOTWITHSTANDING THE FOREGOING, PARTIES TO THE CONSENT AGREEMENT MAY RELY ON THE REPRESENTATIONS AND INDUCEMENTS SET FORTH THEREIN AND ANY ANCILLARY AGREEMENTS RELATED THERETO.

THE DEBTORS' MANAGEMENT HAS REVIEWED THE FINANCIAL INFORMATION PROVIDED IN THIS DISCLOSURE STATEMENT. ALTHOUGH THE DEBTORS HAVE USED THEIR BEST EFFORTS TO ENSURE THE ACCURACY OF THIS FINANCIAL INFORMATION, THE FINANCIAL INFORMATION CONTAINED IN, OR INCORPORATED BY REFERENCE INTO, THIS DISCLOSURE STATEMENT HAS NOT BEEN AUDITED.

THE DEBTORS' MANAGEMENT, IN CONSULTATION WITH THEIR PROFESSIONAL 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, ALTHOUGH 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 REORGANIZED DEBTORS' CONTROL. THE DEBTORS CAUTION THAT THEY CANNOT MAKE ANY REPRESENTATIONS AS TO THE ACCURACY OF THESE PROJECTIONS OR TO THE 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. ADDITIONALLY, 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 SUMMARIZES CERTAIN PROVISIONS OF THE PLAN, CERTAIN OTHER DOCUMENTS AND CERTAIN FINANCIAL INFORMATION. THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE; HOWEVER, YOU SHOULD READ THE PLAN IN ITS ENTIRETY. IN THE EVENT OF ANY INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION CONTAINED IN THIS DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR THE OTHER DOCUMENTS OR FINANCIAL INFORMATION TO BE INCORPORATED HEREIN BY REFERENCE, THE PLAN SHALL GOVERN FOR ALL PURPOSES.

THE DEBTORS ARE PROVIDING THE INFORMATION IN THIS DISCLOSURE STATEMENT SOLELY FOR PURPOSES OF INFORMING HOLDERS OF CLAIMS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN OR OBJECTING TO CONFIRMATION OF THE PLAN. NOTHING IN THIS DISCLOSURE STATEMENT MAY BE USED BY ANY PERSON FOR ANY OTHER PURPOSE.

THE EXHIBITS CONTAINED IN THE PLAN SUPPLEMENT AND THE EXHIBIT ATTACHED TO THIS DISCLOSURE STATEMENT ARE INCORPORATED INTO AND MADE A PART OF THIS DISCLOSURE STATEMENT AS IF SET FORTH IN FULL HEREIN.

THE PLAN CONSTITUTES A MOTION SEEKING ENTRY OF AN ORDER SUBSTANTIVELY CONSOLIDATING THE CHAPTER 11 CASES SOLELY FOR THE LIMITED PURPOSES OF ACTIONS ASSOCIATED WITH THE CONFIRMATION AND CONSOLIDATION OF THE PLAN, INCLUDING, BUT NOT LIMITED TO, VOTING, CONFIRMATION AND DISTRIBUTION.

THE SECURITIES DESCRIBED HEREIN WILL BE ISSUED WITHOUT REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (COLLECTIVELY, THE "SECURITIES ACT"), OR ANY SIMILAR FEDERAL, STATE OR LOCAL LAW. THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "SEC") HAS NOT APPROVED OR DISAPPROVED THIS DISCLOSURE STATEMENT, NOR HAS THE SEC PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN.

ALTHOUGH THE PLAN INTENDS THAT SECTION 1145 OF THE BANKRUPTCY CODE AND OTHER APPLICABLE LAW EXEMPT CERTAIN NEW COMMON STOCK FROM REGISTRATION, THE DEBTORS RECOMMEND THAT POTENTIAL RECIPIENTS OF ANY SECURITIES PURSUANT TO THE PLAN CONSULT THEIR OWN LEGAL COUNSEL CONCERNING THE SECURITIES LAWS GOVERNING THE TRANSFERABILITY OF ANY SUCH SECURITIES.

A. OVERVIEW OF CHAPTER 11

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. In addition to permitting debtor rehabilitation, chapter 11 promotes equality of treatment for similarly situated creditors and similarly situated equity interest holders, subject to the priority of distributions prescribed by the Bankruptcy Code.

The commencement of a chapter 11 case creates an estate that comprises all of the legal and equitable interests of the debtor as of the bankruptcy 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."

Consummating a plan of reorganization is the principal objective of a chapter 11 reorganization case. The Bankruptcy Court's confirmation of a plan of reorganization binds the debtor, any issuer of securities under the plan

of reorganization, any person acquiring property under the plan of reorganization, any creditor or equity interest holder of a debtor, and any other person or entity as may be ordered by the Bankruptcy Court in accordance with the applicable provisions of the Bankruptcy Code. Subject to certain limited exceptions, the order issued by the Bankruptcy Court confirming a plan of reorganization discharges a debtor from any debt that arose prior to the confirmation of the plan of reorganization and provides for the treatment of such debt in accordance with the terms of the confirmed plan of reorganization.

Prior to soliciting acceptances of a proposed plan of reorganization, section 1125 of the Bankruptcy Code requires a debtor to prepare a disclosure statement containing information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment regarding acceptance of the plan of reorganization. This Disclosure Statement is being submitted in accordance with the requirements of section 1125 of the Bankruptcy Code.

B. SUMMARY OF CLASSIFICATION AND TREATMENT OF ALLOWED CLAIMS AND EQUITY INTERESTS UNDER THE PLAN

The following chart summarizes distributions to Holders of Allowed Claims and Equity Interests under the Plan.[3] The recoveries set forth below are projected recoveries and may change based upon changes in Allowed Claims and proceeds available.

Class	Claim/Equity Interest	Treatment of Claim/Equity Interest	Estimated Aggregated Amount of Allowed Claims or Equity Interests (as of Petition Date)	Estimated Percentage Recovery of Allowed Claims or Equity Interests
Class 1	Other Priority Claims	Unimpaired	$2,953,435	100%
Class 2	Other Secured Claims	Unimpaired	$3,332,329	100%
Class 3	First Lien Claims[4]	Impaired	$210,179,534	56%
Class 4	Second Lien Claims	Impaired	$64,052,559	10%
Class 5	General Unsecured Claims[5]	Impaired	$1,623,153	7.4%
Class 6	Preferred Equity Interests	Impaired	1,999,997 shares	0%
Class 7	Common Equity Interests	Impaired	8,122,667 shares	0%

The estimate of the amount of Class 5 General Unsecured Claims in the chart above is based upon the Debtors' current books and records and the Debtors' best estimate of the likely outcome of future claims objections and claims allowance proceedings. The aggregate amount of such Class 5 General Unsecured Claims may increase in such claims objection and claims allowance proceedings, and, therefore, the projected 7.4% recovery for Holders of Allowed Class 5 General Unsecured Claims may decrease as well.

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[3] This chart is only a summary of the classification and treatment of Allowed Claims and Equity Interests under the Plan. Reference should be made to the entire Disclosure Statement and the Plan for a complete description of the classification and treatment of Allowed Claims and Equity Interests.

[4] In Class 3, the Claim of the Revolving Lender is approximately $49.7 million, and the Claim of the Term Loan Lenders is approximately $160.5 million. The estimated recovery of the Revolving Lender is 100%, and that of the Term Loan Lenders 42%.

[5] This estimate of the amount of Class 5 Claims does not include the Interest Rate Swap Claims of Morgan Stanley or the WYC Claims, which will not share in the Class 5 Recovery.

C. PARTIES ENTITLED TO VOTE ON THE PLAN

Under the provisions of the Bankruptcy Code, not all parties-in-interest are entitled to vote on a chapter 11 plan. Holders of Claims or Equity Interests not impaired by the Plan are deemed to accept the Plan under section 1126(f) of the Bankruptcy Code and, therefore, are not entitled to vote on the Plan. Holders of Claims or Equity Interests impaired by the Plan and receiving no Distribution under the Plan are not entitled to vote because they are deemed to have rejected the Plan under section 1126(g) of the Bankruptcy Code.

The following sets forth the Classes that are entitled to vote on the Plan and the Classes that are not entitled to vote on the Plan:

- The Debtors are **NOT** seeking votes from the Holders of Claims in Classes 1 and 2 because these Classes, and each Holder of a Claim in these Classes, are not Impaired under the Plan. Pursuant to section 1126(f) of the Bankruptcy Code, these Classes are conclusively presumed to have accepted the Plan.

- The Debtors are **NOT** seeking votes from the Holders of Class 6 Preferred Equity Interests and Class 7 Common Equity Interests because these Classes are Impaired under the Plan, and the Holders of Equity Interests in those Classes will not receive any Distributions under the Plan. Pursuant to section 1126(g) of the Bankruptcy Code, each of these Classes is deemed to have rejected the Plan.

- The Debtors **ARE** soliciting votes to accept or reject the Plan from those Holders of Claims in Classes 3, 4 and 5 because Claims in those Classes are Impaired under the Plan and the Holders of those Claims will receive Distributions under the Plan. As such, the Holders of Class 3, 4 and 5 Claims have the right to vote to accept or reject the Plan.

For a detailed description of the Classes of Claims and the Classes of Equity Interests, as well as their respective treatment under the Plan, *see* Section VI of this Disclosure Statement.

D. SOLICITATION PACKAGE

Accompanying this Disclosure Statement are copies of:

- letters to the Holders in each of the Voting Classes urging them to vote to accept the Plan;

- the Plan;

- notice of the Confirmation Hearing ("Confirmation Hearing Notice"); and

- one (1) or more Ballots and a return envelope, which are provided only to the Holders of Claims in Classes 3, 4 and 5, together with voting instructions.

The above, together with the Plan Supplement which is available on the Debtors' website, are collectively referred to as the solicitation package (the "Solicitation Package").

The Solicitation Package is being distributed to the Holders of Allowed Class 3, 4 and 5 Claims as of the Voting Record Date. The Solicitation Package materials may also be obtained by accessing the Debtors' website at www.bmcgroup.com/jlfrenchautomotivecastings or by requesting a copy from the Debtors' Voting Agent by writing to J.L. French Automotive Castings, Inc., c/o BMC Group, Inc., 444 N. Nash St., El Segundo, CA 90245 or calling (888)-909-0100.

E. VOTING INSTRUCTIONS

Only the Holders of Allowed Class 3, 4 and 5 Claims as of July 27, 2009 (the "Voting Record Date") are entitled to vote to accept or reject the Plan, and Holders of Allowed Class 3, 4 and 5 Claims may do so by completing the Ballot and returning it in the envelope provided to the Voting Agent so that it is received by the Voting Agent by the Voting Deadline of August 31, 2009 at 4:00 p.m. E.D.T. Voting Instructions are attached to each Ballot.

The Debtors, with the approval of the Bankruptcy Court, have engaged BMC Group, Inc., ("BMC"), 444 N. Nash St., El Segundo, CA 90245, www.bmcgroup.com, as the claims and noticing agent and as the voting agent (the "Voting Agent") to assist in the solicitation process. The Voting Agent will, among other things, answer questions, provide additional copies of all Solicitation Package materials, and generally oversee the solicitation process. The Voting Agent will also process and tabulate Ballots for each Class entitled to vote to accept or reject the Plan and the Debtors will File a voting report (the "Voting Report") no later than two (2) Business Days before the Confirmation Hearing.

The deadline for the Voting Agent to receive any Ballot is 4:00 p.m. E.D.T., August 31, 2009 (the "Voting Deadline").

BALLOTS	
Ballots (or the Master Ballot of your Nominee Holder) must be actually received by the Voting Agent by the Voting Deadline at one of the following addresses:	
J.L. FRENCH AUTOMOTIVE CASTINGS, INC. c/o BMC Group Inc. PO Box 3020 Chanhassen, MN 53317-3020	If by first class mail
J.L. FRENCH AUTOMOTIVE CASTINGS, INC. c/o BMC Group Inc. 18750 Lake Drive East Chanhassen, MN 55317	If by overnight courier or personal delivery
If you have any questions on the procedures for voting on the Plan, please call the Voting Agent at the following telephone number: (888) 989-0100	

ANY BALLOT THAT IS PROPERLY EXECUTED BY THE HOLDER OF A CLAIM, BUT WHICH DOES NOT CLEARLY INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN OR WHICH INDICATES BOTH AN ACCEPTANCE AND A REJECTION OF THE PLAN, SHALL NOT BE COUNTED.

EACH HOLDER OF A CLAIM MAY CAST ONLY ONE BALLOT PER EACH SUCH CLAIM HELD. BY SIGNING AND RETURNING A BALLOT, EACH HOLDER OF A CLAIM IN CLASSES 3, 4 AND 5 WILL CERTIFY TO THE BANKRUPTCY COURT AND THE DEBTORS THAT NO OTHER BALLOTS WITH RESPECT TO SUCH CLAIM HAVE BEEN CAST OR, IF ANY OTHER BALLOTS HAVE BEEN CAST WITH RESPECT TO SUCH CLASS OF CLAIMS, SUCH EARLIER BALLOTS ARE THEREBY SUPERSEDED AND REVOKED.

ALL BALLOTS ARE ACCOMPANIED BY RETURN ENVELOPES. IT IS IMPORTANT TO FOLLOW THE SPECIFIC INSTRUCTIONS PROVIDED ON EACH BALLOT.

F. THE CONFIRMATION HEARING

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on confirmation of the Plan. Section 1128(b) of the Bankruptcy Code provides that any party-in-interest may object to confirmation of the Plan.

The Bankruptcy Court has scheduled the Confirmation Hearing for September 3, 2009, to take place at 10:00 a.m. E.D.T. (the "Confirmation Hearing Date") before the Honorable Kevin Gross, United States Bankruptcy

Judge, in the United States Bankruptcy Court for the District of Delaware, located at Marine Midland Building, 824 North Market Street, 5th Floor, Wilmington, Delaware 19801. The Confirmation Hearing may be adjourned from time to time without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or any adjournment thereof.

Objections to confirmation of the Plan must be filed and served on the Debtors, by no later than August 31, 2009, at 4:00 p.m. E.D.T. (the "Plan Objection Deadline"). **UNLESS OBJECTIONS TO CONFIRMATION OF THE PLAN ARE TIMELY SERVED AND FILED IN COMPLIANCE WITH THE DEADLINES SET FORTH IN THE DISCLOSURE STATEMENT, THEY MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.**

The Debtors will publish the Confirmation Hearing Notice, which will contain, among other things, the Plan Objection Deadline, the Voting Deadline, and Confirmation Hearing Date, in the following publications in order to provide notification to those persons who may not receive notice by mail; *The Wall Street Journal (National and International editions),* the *Financial Times (Global Edition),* the *Milwaukee Journal Sentinel and* the *Glasgow Daily Times*.

II.

BACKGROUND

A. OVERVIEW OF J.L. FRENCH'S BUSINESS

The Debtors are leading global designers and producers of high-pressure aluminum die-castings, specializing in automotive powertrain components. Die-casting is a fast, cost-effective and high quality manufacturing process for production of high volume, tight tolerance metal components. The die-casting process entails the injection of a molten metal alloy under high pressure into a steel mold (or tool), which molten metal solidifies rapidly (from milliseconds to a few seconds) to form a component and is then automatically extracted

Founded in 1968, the Debtors began as a small, family-owned manufacturer of aluminum die-castings from a single facility, the Taylor Facility, in Sheboygan, Wisconsin. In 1994, the Debtors opened an additional manufacturing facility in Sheboygan, Wisconsin, known as the "Gateway Facility." This facility not only provided the Debtors with additional production capacity, but also provided the necessary aluminum smelting infrastructure for its manufacturing processes to allow the Debtors to produce finished automotive parts directly from scrap aluminum. The Debtors believe that this smelting infrastructure, which has subsequently been expanded to other of the Debtors' facilities, provides the Debtors with several operational benefits, including: (i) greater control over the materials utilized in the die-cast process ensuring that finished products are of uniform high quality; (ii) broader access to a wider range of scrap aluminum suitable for production needs, affording the Debtors greater control over their aluminum costs; and (iii) access to an independent revenue source through sales of processed aluminum to third parties.

Since opening the Gateway Facility, the Debtors have expanded the scope of their die-cast aluminum product line. In 1997, Ford Motor Company ("Ford") awarded the Debtors a contract to supply transmission cases for light trucks and sport utility vehicles. To support these newly awarded contracts, the Debtors expanded the Gateway Facility to install 3,500-ton die-cast machines, which allowed them to produce much larger die-cast products. In 2004, the Debtors successfully won their first contract to produce high pressure aluminum die-cast engine blocks and have subsequently won two (2) additional engine block contracts. To support the increased aluminum requirements of the engine block programs and the need for additional large tonnage die cast machines, the Debtors invested substantial sums in expanding their facilities and acquiring aluminum shredding and smelting equipment and two (2) additional 3,500-ton die-cast machines. In 1999, the Debtors acquired a manufacturing facility located in Glasgow, Kentucky.

The Debtors' Current Domestic Customers and Products

The Debtors currently produce a broad range of aluminum die-cast components and assemblies, including engine blocks, oil pans, transmission cases, engine covers, bedplates, ladderframes, cam covers, and front end accessory drive brackets. The Debtors are one of only a select group of aluminum product suppliers equipped to

provide original equipment manufacturers ("OEMs") and first-tier automotive parts suppliers, on a global basis, with broad technical design, rapid prototyping, engineering and program management capabilities for manufacturing high-pressure die-cast aluminum engine and powertrain parts.

The Debtors depend upon a select group of OEMs and first-tier automotive part suppliers for a majority of their sales. During 2008, approximately 95% of the Debtors' sales revenue was attributable to just four customers—Ford, General Motors Corporation ("General Motors"), Magna International, Inc. ("Magna"), and Chrysler, LLC ("Chrysler").

The Debtors' Supply Contracts

The Debtors generally manufacture highly specialized parts designed for a particular vehicle model or platform, and thus generally enter into long-term supply contracts with both the OEM for such model or platform and first-tier automotive supplier customers. While the Debtors typically enter into long-term supply contracts, their customers do not provide any guarantees of future volumes. Customers typically enlist the Debtors well in advance of the start of production, in some cases as many as several years before the anticipated start of production. Major new business launches may require the Debtors to acquire new production space, and often require the Debtors to make substantial investments in new machinery equipment, die-cast machines and tooling necessary to produce component parts. Thus, it is critical that the Debtors have adequate free cash flow available to make the necessary capital expenditures, often years before they realize any revenues from the product launch.

The Debtors' Aluminum Smelting Operations

Debtor Allotech International LLC, a Wisconsin limited liability company ("Allotech") operates one of the largest aluminum smelting operations in the United States and supplies the other Debtors with high quality aluminum ready for die-casting. Allotech uses on-site furnaces to heat scrap aluminum to over 1,400 degrees Fahrenheit, combining the liquid aluminum with the alloys and additives necessary to create the processed aluminum necessary for die-cast manufacturing. As a result of the anticipated aluminum requirements to support new programs, Allotech invested in a state of the art aluminum shredder and separator that has enabled it to increase its capacity and access cheaper and more abundant sources of scrap to be utilized in the smelting process. In addition to supplying other Debtors, Allotech produces processed aluminum for sale to third parties. In 2008, these sales accounted for a significant portion of the Debtors' revenues. During the past several months, however, liquidity constraints and the precipitous decline in aluminum prices have forced Allotech to significantly curtail this business, which has further eroded the Debtors' revenues and profitability.

B. THE DEBTORS' CORPORATE AND CAPITAL STRUCTURE

1. The February 2006 Bankruptcy

The Debtors previously filed for chapter 11 relief on February 10, 2006, in this Court (Case No. 06-10119, jointly administered, the "2006 Bankruptcy Cases"). The Debtors emerged from the 2006 Bankruptcy Cases on June 30, 2006, pursuant to an order confirming a plan of reorganization (the "2006 Plan"), made all distributions required under the 2006 Plan. The Debtors emerged from bankruptcy under the 2006 Plan with $205 million of secured term loans and a revolving secured loan of up to $50 million. The Bankruptcy Court entered a final decree closing the 2006 Bankruptcy Cases on April 17, 2009, and the 2006 Bankruptcy Cases were closed on April 23, 2009.

2. The Debtors' Current Corporate and Capital Structure

The Debtors' current corporate structure is illustrated in a diagram included in the Plan Supplement. J.L. French, owns all of the equity interests in Nelson Metal Products LLC, a Delaware limited liability company ("NMP"), and French Holdings LLC, a Delaware limited liability company. NMP owns 94.05% of the equity interests in J.L. French Automotive, LLC, a Michigan limited liability company ("JLFA"). French Holdings LLC owns all of the equity interests in Allotech and J.L. French LLC, both Wisconsin limited liability companies. J.L. French LLC owns all of the equity interests in Central Die, LLC, a Wisconsin limited liability company, and 5.95% of the equity interests in JLFA. Each of the entities named in this paragraph is a Debtor in these Chapter 11 Cases.

The Debtors also own a number of subsidiaries related to production of auto parts outside of the U.S. J.L. French Ansola, S.R.L. is a wholly-owned subsidiary of J.L. French located in Spain, and manufactures auto parts. Servicios J.L. French, S.R.L. is a wholly-owned subsidiary of J.L. French located in Spain, and is a management service company. J.L. French Automotive Castings China Holdings, LLC is a wholly-owned subsidiary of J.L. French, and a majority owner of a automotive component manufacturing joint venture located in the Peoples Republic of China. The Debtors also hold direct or indirect ownership interests in J.L. French Servicios, S. de R.L. de C.V., a Mexican company, and J.L. French s.r.o., a Slovakian company. None of the foreign companies named in this paragraph are Debtors in these Chapter 11 Cases, and the Debtors do not anticipate that any non-U.S. insolvency proceeding or wind-down will materially affect these Chapter 11 Cases or the Debtors' financial restructuring.

Debtor J.L. French owns 100% of the capital stock of JLFR, Inc ("JLFR"). JLFR is a single-purpose entity that at one time purchased customer receivables from JLFA and then sold them to Wells Fargo Business Bank, National Association ("WFBB") pursuant to an Accounts Purchase Agreement, dated January 1, 2005, between JLFR and WFBB, as a means of obtaining a steady, predictable source of working capital for the Debtors' operations. JLFR is not a debtor in these Chapter 11 Cases. Several months prior to the Petition Date WFBB terminated the Accounts Purchase Agreement. The Debtors believe that, as of the Petition Date, no amounts were owing to WFBB under the Accounts Purchase Agreement.

(a) The First Lien Credit Facility

The Debtors are parties to a First Lien Credit and Guaranty Agreement, dated as of May 14, 2007 (as amended, modified, supplemented or restated from time to time, the "First Lien Credit and Guaranty Agreement"). The Debtors' obligations under the First Lien Credit and Guaranty Agreement are secured (subject to limited exceptions) by a first priority pledge of, lien on and/or security interest in: (a) all of the membership interests in J.L. French's direct and indirect domestic restricted subsidiaries; (b) 65% of the voting power of capital stock of J.L. French's first-tier, wholly-owned foreign subsidiaries and 100% of the non-voting stock in certain of such first-tier, wholly-owned foreign subsidiaries; (c) substantially all of the Debtors' present and future property and assets, real and personal, tangible and intangible; and (d) the proceeds of such property and assets.

Under the First Lien Credit and Guaranty Agreement, CapitalSource Finance LLC ("CapitalSource") is the revolving loan administrative agent (the "First Lien Revolving Agent"), Wilmington Trust FSB (as successor to Goldman Sachs Credit Partners L.P.) is the term loan administrative agent (the "First Lien Term Agent") for the lenders (collectively, the "First Lien Lenders"), and Wilmington Trust FSB is the collateral agent for the First Lien Lenders. The current outstanding principal balance of the term loans is approximately $154 million; and the current outstanding principal balance of the revolving loan is approximately $50 million (inclusive of reimbursement obligations in respect of approximately $5 million of issued letters of credit.

(b) The Second Lien Credit Facility

On May 14, 2007, the Debtors also entered into the Second Lien Credit and Guaranty Agreement (as amended, modified, supplemented or restated from time to time, the "Second Lien Credit and Guaranty Agreement"). The Bank of New York (as successor to Goldman Sachs Credit Partners L.P.) is the term loan administrative agent (the "Second Lien Administrative Agent") and Goldman Sachs Credit Partners L.P. is the collateral agent (the "Second Lien Collateral Agent" and together with the Second Lien Administrative Agent, the "Second Lien Agents") for the lenders (collectively, the "Second Lien Lenders"). The current principal amount outstanding under the Second Lien Term Loan is approximately $60 million. The Debtors' obligations under the Second Lien Credit and Guaranty Agreement are secured by substantially the same collateral as secures the First Lien Credit and Guaranty Agreement.

(i) Prepetition Defaults Under the Credit Facilities

Prior to the Petition Date, the Debtors triggered a number of financial covenant defaults related to interest coverage and leverage ratios under the First Lien and Second Lien Credit and Guaranty Agreements. In addition, on December 31, 2008, March 31, 2009 and June 30, 2009 the Debtors failed to make term loan principal payments under the First Lien Credit and Guaranty Agreement; on February 10, 2009, March 31, 2009 and June 30, 2009, the Debtors failed to make interest payments on the First Lien Credit and Guaranty Agreement; and on February 13,

2009, March 31, 2009 and June 30, 2009, the Debtors failed to make interest payments on the Second Lien Credit and Guaranty Agreement.

(c) Swap Transactions

Debtor J.L. French entered into interest rate swap transactions ("Swaps") with Morgan Stanley pursuant to three swap confirmations, each dated July 19, 2006, and the ISDA 2002 Master Agreement dated July 13, 2006. On April 30, 2009, Morgan Stanley commenced an action in the state courts of New York to enforce its rights under the Swaps. The Debtors estimate that the claim of Morgan Stanley is approximately $15 million. Soon after the commencement of these Chapter 11 Cases, the Debtors and Morgan Stanley reached a settlement of the litigation and agreement on the treatment of the Interest Rate Swap Claims. Pursuant to the settlement, Morgan Stanley shall have an allowed general unsecured claim of one million dollars ($1,000,000.00), and on the Effective Date Morgan Stanley will receive the Morgan Stanley Exit Swap, in full and final satisfaction of its allowed general unsecured claim. The documents evidencing the Morgan Stanley Exit Swap are contained in the Plan Supplement. The initial mark-to-market value of the Morgan Stanley Exit Note as of the Effective Date shall be one million dollars ($1,000,000.00) in favor of Morgan Stanley.

III.

EVENTS LEADING TO THE CHAPTER 11 CASES

A. OVERVIEW -- THE CURRENT STATE OF THE AUTOMOTIVE SUPPLY INDUSTRY

Notwithstanding the 2006 Bankruptcy Cases, the Debtors have continued to encounter significant operational and financial difficulties. In 2008, nearly all of the Debtors' revenue was directly or indirectly related to light vehicle production of its primary customers Ford, General Motors and Chrysler (collectively, the "Domestic Automakers"). The Domestic Automakers' North American light vehicle production fell to 7.5 million vehicles for 2008 (a 20% decline from the 2007 level of 9.4 million vehicles), and such decline has continued into 2009 with an expectation (based upon a forecast prepared in May 2009 by CSM Worldwide) that the Domestic Automakers' North American light vehicle production will drop to 4.2 million vehicles (44% less than in 2008, and 55% less than in 2007). The Domestic Automakers' production levels have been in decline for several years due to a number of factors including, among other things, global competition, significant legacy costs and high energy costs, but the precipitous decline that began in mid-2008 (and which is expected to continue through 2009) was triggered by the current global credit crisis and the resulting deterioration of consumer confidence and consumer spending which has devastated the automobile industry (the "Credit Crisis").

The Credit Crisis, coupled with the significant recent deterioration in the Domestic Automakers' market share and vehicle production, has all but eliminated the availability of capital to support the operations of automotive suppliers, as credit providers have become increasingly concerned with the future viability of the Domestic Automakers. For instance, within the past six (6) months, WFBB, the funding provider under the Debtors' accounts receivable factoring arrangement determined that it would no longer factor receivables owed to the Debtors by any of the Domestic Automakers, resulting in a significant reduction in the Debtors' liquidity. The recent chapter 11 bankruptcy cases of General Motors and Chrysler has further exacerbated the concerns of the credit and capital markets regarding the viability of auto industry parts suppliers.

B. SOURCES OF LIQUIDITY CONSTRAINTS AND DECLINES IN EBITDA

While most of the Debtors' product lines are profitable, the Debtors' financial results have been seriously impaired by the loss of sales volume under many of their existing customer contracts. Over the past several years, the Debtors invested significant amounts of capital to expand their die-casting and machining capacity in support of specific customer production contracts that in many cases failed to generate the expected level of sales volume. The precipitous decline in volume under these contracts and related loss of revenue have rendered the Debtors unable to generate sufficient cash flow to service their debt obligations. The Debtors' financial woes have been exacerbated by the refusal of some of their customers to award certain new business because of the Debtors' over-leveraged balance sheet.

As a result, the Debtors' liquidity has become severely constrained. As of the Petition Date, the Debtors had no access to working capital borrowing and were unable to stay current on their payment obligations under the First Lien and Second Lien Credit and Guaranty Agreements. Specifically, the Debtors' liquidity position has been negatively impacted by the following factors:

Decline in Domestic Automobile Sales

In accordance with common practice within the automotive supply industry, the Debtors typically supply their customers on a requirements basis and are not guaranteed any minimum volume of business. As a result, when the Debtors' customers experience a downturn or decrease in vehicle production volume, the Debtors experience a commensurate decrease in the orders placed by their customers. In February 2008, the Debtors projected that the Domestic Automakers and their first-tier automotive parts suppliers would collectively purchase over $390.8 million in parts from the Debtors during 2008 and $377.4 million in 2009. However, as a result of the significant sales declines discussed above, such customers collectively purchased only $327.8 million (adjusted for aluminum price fluctuations) from the Debtors in 2008, or 16.1% below the forecast amount. Revenue for 2009 is currently forecast to be approximately $205 million, a sharp drop of more than 45% from the amount previously forecast.

These revenue declines have had a significant negative impact on the Debtors' earnings. In February 2008, the Debtors forecast that their EBITDA would exceed $53 million for 2008 and $57 million for 2009. As a result of the significant sales declines discussed above, however, preliminary actual EBITDA for 2008 was approximately $35.8 million, and based on the current economic conditions and the industry environment for light vehicle production, the Debtors are forecasting that EBITDA will decline further in 2009, to approximately $25 million. Not surprisingly, the steady decrease in sales volume described above, together with the high amount of leverage on the Debtors' balance sheet, has resulted in substantial liquidity constraints for the Debtors.

Volatility in Commodity Prices

The Debtors have suffered from extreme volatility in key commodity prices, making it more expensive for the Debtors to manufacture their products. Significantly, the cost of aluminum reached what management believes to be an all-time high in April 2008, an increase of nearly 25% from the beginning of 2008, and 35% from the beginning of 2007. Since the peak in April 2008, the price of aluminum has fallen more than 65%. The cost of natural gas, another commodity key to the Debtors' continuing operations, has increased significantly during the past two (2) years before declining dramatically late in 2008. The Debtors cannot simply pass these costs on to their customers to account for their increased cost of production. Rather, even as commodity prices increase, the Debtors must often decrease their sale prices to customers to abide by the governing supply contracts.

Inability to Achieve Desired Profit Margins

The Debtors also have not always been able to achieve their desired profit margins with respect to existing product lines. Typically, when a first-tier automotive supplier awards a supply contract to manufacture a part for a particular new vehicle or vehicle platform, it does so for the life of that particular vehicle platform. The long-term nature of such supply contracts would ordinarily allow the Debtors to earn increased profits over time, as they become more adept at manufacturing the product, and thereby reducing the cost to manufacture and improving the quality of such parts. But many of the Debtors' supply contracts provide for regular price decreases over the life of a contract. As a result of significant volume shortfalls on many of its key programs, the Debtors have been unable to achieve cost savings sufficient to offset these price decreases (especially considering the recent and unexpected increases in commodities prices that the Debtors have experienced).

Launch of New and Maintenance of Existing Business Lines

The Debtors have incurred significant costs during the past three (3) years relating to the launch of a significant new contract to produce V6 engine blocks for one of its major customers. During 2006, 2007 and 2008 the Debtors invested more than $5.0 million in dedicated program-specific equipment plus an additional $9.0 million to expand their die-casting and smelting capacity in support of such program. While this would ordinarily be a positive development, unforeseen technical difficulties in managing the launch of the contract, coupled with reductions in anticipated production volume, have negatively impacted the Debtors' gross margins and profitability with respect to such program.

The Debtors have also incurred substantial costs to maintain and repair their existing product lines. In fact, 50% of their annual capital expenditures have typically been incurred to maintain and replace assets for existing product lines. The Debtors spend approximately $20 million each year launching, maintaining and repairing business lines. These capital expenditures have taken a toll on the Debtors' overall operations, compounding the problems presented by the Debtors' depressed sales volumes and high debt leverage.

C. IMPACT OF LIQUIDITY CONSTRAINTS

The Debtors' liquidity has been severely constrained in recent months, as a result of the volume declines described above and the loss of their ability to factor receivables from the Domestic Automakers through WFBB. As of the Petition Date, the Debtors had no access to debt financing to fund their working capital needs, and they had insufficient cash to stay current on their payment obligations under their secured debt. These issues present a serious threat to the Debtors' ability to pursue the growth and development initiatives necessary to remain competitive in their industry.

As a result of the factors outlined above, the Debtors have not achieved the sales or profit margins that they anticipated since early 2008, and the Debtors have been rendered unable to service their debt obligations at their current levels. Moreover, absent a restructuring, the Debtors' continued efforts to service such debt will impair their ability to make the necessary capital investments to implement the new product lines necessary to sustain their businesses. The Debtors believe that with a deleveraged capital structure and the opportunity to continue launching new product lines, they will be well-positioned to grow and become more profitable.

D. DEBTORS' PREPETITION RESTRUCTURING EFFORTS

Over the course of the past year, the Debtors engaged Milbank, Tweed, Hadley & McCloy LLP as restructuring counsel, Houlihan Lokey Howard & Zukin Capital, Inc. as investment banker and financial advisor, and Conway MacKenzie, Inc. as financial and operational restructuring advisor. In conjunction with its advisors, the Debtors concluded that unless they substantially reduce their debt obligations, they could no longer fund the capital expenditures required to launch new products and reliably supply high-quality and well-engineered parts, and, accordingly, that the lenders under the secured credit facilities would have to convert their debt investments in the Debtors into equity of the reorganized Debtors.

E. FORBEARANCE AGREEMENTS; CONSENT AGREEMENT

By early February 2009, the Debtors were in default under several provisions of the First and Second Lien Credit Facilities, partly because of their failure to make the scheduled interest payments due under the Credit Facilities. The Debtors began negotiating with the First Lien Term Agent, First Lien Revolver Agent and the Second Lien Agents.

On February 13, 2009, the Requisite Lenders under, and as defined in, the First Lien Credit and Guaranty Agreement entered into the Forbearance and Standstill Agreement (First Lien) ("First Lien Forbearance Agreement") with the Debtors, pursuant to which the First Lien Lenders agreed to temporarily forbear from the exercise of the remedies available to them under First Lien Credit Documents until February 23, 2009. Pursuant to several letter agreements, the term of the First Lien Forbearance Agreement was extended to July 15, 2009.

Also on February 13, 2009, the Debtors entered into the Forbearance and Standstill Agreement (Second Lien) (the "Second Lien Forbearance Agreement") with Requisite Lenders under, and as defined in, the Second Lien Credit and Guaranty Agreement, pursuant to which the Second Lien Lenders agreed to temporarily forbear until February 23, 2009, from the exercise of the remedies available to them under the Second Lien Credit and Guaranty Agreement and the Second Lien Pledge and Security Agreement. Pursuant to several letter agreements, the term of the Second Lien Forbearance Agreement was extended several times to July 15, 2009.

During the time that the First and Second Lien Forbearance Agreements were in place, the Debtors, First Lien Term Lenders, First Lien Revolving Lenders, Second Lien Lenders and OEMs began discussing the terms of a consensual chapter 11 restructuring pursuant to which all of the First Lien Term Lenders and Second Lien Lenders would convert their debt to equity in the Reorganized Debtors, the Revolving Lender would receive a restructured secured note, and the OEMs would make certain modifications to the OEM Agreements requested by the Debtors.

The terms of the parties' agreement are contained in the Consent Agreement, dated as of July 12, 2009, a copy of which is included in the Plan Supplement.

F. OPERATING IN THE ORDINARY COURSE OF BUSINESS

Though the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code, the Debtors are continuing to operate their businesses and manage their assets as debtors-in-possession pursuant to sections 1107 (a) and 1108 of the Bankruptcy Code. The Debtors' customers continue to receive automotive components and related services from the Debtors, and the Debtors' vendors are being paid in full according to applicable payment terms for goods and services delivered during the bankruptcy cases.

IV.

CHAPTER 11 CASES

A. ADMINISTRATION OF THE CHAPTER 11 CASES

The Debtors do not anticipate that the Chapter 11 Cases will be lengthy. The Debtors anticipate that the Effective Date of the Plan should actually occur shortly after the Confirmation Hearing.

As in many large chapter 11 cases, the Debtors filed a variety of customary motions on the Petition Date which were designed to facilitate their smooth transition into bankruptcy.

First Day Motions in these Chapter 11 Cases

1. Administrative Motions

Motion of the Debtors for Order Directing Joint Administration of Related Chapter 11 Cases

The Debtors are affiliated entities and filed a motion requesting that their Chapter 11 Cases be jointly administered by the Court, seeking to avoid the cost of maintaining separate Bankruptcy Court dockets for each of the Debtors' chapter 11 cases. On July 14, 2009, the Court entered an order granting the request for joint administration of the Chapter 11 Cases.

Motion of the Debtors for Entry of an Order Establishing Deadline for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof

The Debtors filed a motion for an order establishing a bar date (the "Bar Date") and approving the form and manner of notice thereof.

2. Operations

Motion of the Debtors for Entry of an Order Under 11 U.S.C. §§ 363, 364, 1107 and 1108 (I) Authorizing (A) Continued Use of Existing Cash Management System, (B) Maintenance of Existing Bank Accounts, (C) Continued Use of Existing Business Forms and (D) Continued Use of Existing Investment Guidelines; (II) Granting Superpriority Administrative Priority Status to Postpetition Intercompany Claims; and (III) Authorizing Continued Performance Under Intercompany Arrangements and Historical Practices

The Debtors filed a motion for an order authorizing the continued use of nine (9) primary bank accounts at various banks throughout the United States, through which Debtor J.L. French LLC manages cash receipts, transfers and disbursements for the Debtors' entire domestic corporate enterprise. The Debtors routinely deposit, withdraw, and otherwise transfer funds to, from, and between such accounts by various methods, including checks, electronic funds transfers and direct deposits. Specifically, the Debtors' Cash Management System consists of: (i) a depository account maintained at Wells Fargo Bank, N.A. "Wells Fargo"), with J.L. French LLC as the account debtor; (ii) numerous disbursement accounts maintained by Wells Fargo and Branch Banking & Trust; and (iii) a "lockbox" account and joint trust account maintained at affiliates of Wells Fargo. The cash management system also includes a revolving credit facility with CapitalSource, as well as two (2) money market accounts, which are

linked to two of the Debtors' main accounts maintained by Wells Fargo. On July 14, 2009, the Court entered an order granting the relief requested in the motion.

Motion of The Debtors for Entry of an Order: (I) Authorizing the Debtors to Pay Prepetition (A) Wages, Salaries, and Other Compensation, (B) Employee Medical and Similar Benefits, and (C) Reimbursable Employee Expenses; And (III) Authorizing Banks and Other Financial Institutions to Pay All Checks and Electronic Payment Requests Made by the Debtors Relating to the Foregoing

The Debtors filed a motion to authorize the payment of prepetition wages and commissions and benefits to Debtors' employees. The Debtors provide employees benefits, including, but not limited to (a) health and dental insurance, (b) stop loss coverage, (c) workers' compensation, (d) vacation, (e) sick leave, (f) stock and savings plans, and (g) other miscellaneous benefits. On July 14, 2009, the Court entered an order granting the relief requested in the motion.

Motion of Debtors for Entry of an Order (I) Authorizing the Debtors to Remit and Pay Prepetition Sales, Use and Franchise Taxes and Certain Other Government Charges and (II) Authorizing Banks and Other Financial Institutions to Receive, Process, Honor and Pay Checks Issued and Electronic Payment Requests Made Relating to the Foregoing

The Debtors filed a motion for an order authorizing the continued collection and remittance of prepetition taxes, including, but not limited to, sales tax, use and franchise taxes and other taxes necessary to operate Debtors businesses, and certain fees for permits, licenses and other similar assessments. On July 14, 2009, the Court entered an order granting the relief requested in the motion.

Motion of the Debtors for Entry of an Order Under 11 U.S.C. §§105(A), 361, 362, 363 and 364 and Fed. R. Bankr. P. 6004(A) for an Order Authorizing: (I) Payment of Prepetition Obligations Incurred in the Ordinary Course of Business in Connection with Workers' Compensation, Liability, Property and Other Insurance Programs Including Payment of Policy Premiums and Brokers' Fees; and (II) Continuation of Insurance Premium Financing Programs

The Debtors filed a motion for an order authorizing (a) the continuation of their insurance programs, including to the extent such insurance programs require payment of prepetition claims, including (i) workers' compensation, (ii) directors' and officers' liability, (iii) employment practices liability, (iv) fiduciary liability, (v) crime, kidnap & ransom, (vi) ocean cargo liability, (vii) foreign coverage, (viii) environmental liability, (ix) umbrella & excess liability and various other liability, property, and automobile insurance programs (collectively, the "Insurance Programs"), (b) the payment of prepetition policy premiums and brokers' fees arising under the Insurance Programs and (c) the continuation of its insurance premium financing programs and payment of insurance premium financing obligations in connection with the Insurance Programs. The Insurance Programs include coverage for, among other things, employees' losses related to employment, breach of officers' and directors' duties, personal injury torts, liability arising out of the operation of motor vehicles and various other first party property claims and third party liability claims. On July 14, 2009, the Court entered an order granting the relief requested in the motion.

Motion of the Debtors for Entry of an Order (I) Authorizing the Debtors to Pay in the Ordinary Course of Business Prepetition Claims of Shippers and Other Lien Claimants and (II) Authorizing Financial Institutions to Pay All Checks and Electronic Payment Requests Made by the Debtors Relating to the Foregoing

The Debtors filed a motion for an order authorizing payment of prepetition claims of shippers, domestic common carriers, truckers and other similar lien claimants in the ordinary course of business, in order to protect timely delivery or goods to the Debtors and their customers. On July 14, 2009, the Court entered an order granting the relief requested in the motion.

Motion of the Debtors for Entry of Interim and Final Orders Under 11 U.S.C. §§ 105(A) and 366: (I) Prohibiting Utilities from Discontinuing, Altering or Refusing Service; (II) Establishing Procedures for Determining Adequate Assurances of Payment; and (III) Establishing Procedures for the Utilities to Opt Out of the Debtors' Proposed Procedures for Adequate Assurance

The Debtors filed a motion for an order prohibiting utility providers from discontinuing, altering or refusing service, and providing such utility providers with appropriate forms of adequate protection. On July 14, 2009, the Court entered an interim order granting the relief requested in the motion.

Motion of the Debtors for Entry of an Order Pursuant to 11 U.S.C. § 546(c): (I) Establishing Procedures for Resolution of Reclamation Claims; and (II) Prohibiting Sellers of Goods from Reclaiming or Otherwise Interfering with Debtors' Possession of Certain Goods.

The Debtors filed a motion for an order (a) requiring the Debtors to review all reclamation claims of creditors and to file a report by no later than August 28, 2009 describing the claims and the Debtors' position on the validity and priority of such claims, and (b) prohibiting vendors from reclaiming goods without further order of the Court. On July 14, 2009, the Court entered an order granting the relief requested in the motion

Motion of the Debtors for Entry of an Order Authorizing, but not Requiring the Debtors to Pay in the Ordinary Course of Business the Prepetition Claims of Essential Trade Creditors.

The Debtors filed a motion for an order authorizing payment of the prepetition claims of certain essential trade creditors in order to protect the uninterrupted delivery of essential goods and services from the Debtors' vendors On July 14, 2009, the Court entered an order granting the relief requested in the motion.

3. Financing

DIP Financing Motion

The Debtors filed a motion seeking an order authorizing the Debtors to enter into a postpetition credit facility with certain lenders in order to access approximately $15 million of postpetition financing during the Chapter 11 Cases. The motion also sought, among other things, the grant of a super-priority priming lien to secure the postpetition lenders' claims, the grant of super-priority administrative expense claim status for the claims based upon the postpetition lending, and certain adequate protection for the First and Second Lien Lenders. On July 14, 2009, the Bankruptcy Court entered an interim order granting the relief requested in the motion.

4. Employment and Compensation of Professionals

The Debtors filed the following applications to employ professionals at the expense of the bankruptcy estates:

Application for Order Pursuant to 11 U.S.C. §§ 327(A) and 328(A), Fed. R. Bankr. P. 2014(A) and Del. Bankr. L. R.. 2014-1, Authorizing Employment and Retention of Milbank, Tweed, Hadley & McCloy LLP as Attorneys Nunc Pro Tunc to Petition Date

Application for Order Pursuant to 11 U.S.C. §§ 327(A) and 328(A) and Fed. R. Bankr. P. 2014(A) Authorizing Employment and Retention of Pachulski, Stang, Ziehl, & Jones P.C. as Attorneys for the Debtors

Application to Employ and Retain BMC Group, Inc. as Notice, Claims and Balloting Agent to the Debtors and Debtors-in-Possession Nunc Pro Tunc to the Petition Date

Application to Employ and Retain Varnum LLP Nunc Pro Tunc to the Petition Date as Special Counsel for the Debtors under Sections 327(e) and 328(a) of the Bankruptcy Code

Application for Entry of an Order Authorizing the Employment and Retention of Conway Mackenzie, Inc. as Financial Advisor to the Debtors and Debtors-in-Possession Nunc Pro Tunc to the Petition Date

Application for Entry of an Order Authorizing the Employment and Retention of Houlihan Lokey Howard & Zukin Capital, Inc. As Investment Banker to the Debtors and Debtors-in-Possession Nunc Pro Tunc to the Petition Date

Application for Entry of an Order Authorizing the Employment and Retention of Ernst & Young LLP as Tax Service Providers and Tax Consultants to the Debtors and Debtors-in-Possession Nunc Pro Tunc to the Petition Date

The Debtors filed the following motion for an order establishing procedures for interim payment of the fees and expenses of professionals employed at the expense of the estate: *Debtors' Motion for an Order Establishing Procedures for Interim Compensation Pursuant to Section 331 of the Bankruptcy Code.*

The Debtors filed the following motion for an order approving the employment and payment of additional non-bankruptcy ordinary course professionals: *Motion of Debtors for Entry of An Order Authorizing the Debtors to Employ and Compensate Certain Professionals Utilized in the Ordinary Course of the Debtors' Businesses*

5. Preference Analysis

The Debtors are conducting an ongoing analysis of potential avoidance actions, including potential actions to recover preferential transfers pursuant to section 547 of the Bankruptcy Code. The Debtors do not anticipate filing any preference actions.

6. Other Potential Avoidance Actions

As of the date hereof, the Debtors are not aware of any potential avoidance action under chapter 5 of the Bankruptcy Code that would result in any material recovery to the Debtors' estates.

B. THE COMMITTEE

As of the date hereof, no committee has been appointed.

C. SUBSTANTIVE CONSOLIDATION

The Plan is premised upon substantively consolidating certain of the Debtors as set forth in Article I.C of the Plan for the limited purposes of confirming and consummating the Plan, including but not limited to voting, confirmation and distribution.

There is no express statutory authority for substantive consolidation; rather, substantive consolidation exists as an equitable remedy. *In re Owens Corning*, 419 F.3d 195 (3d Cir. 2005). The Bankruptcy Court's ability to order substantive consolidation derives from its general equitable powers under section 105(a) of the Bankruptcy Code, which provides that the Bankruptcy Court may issue orders necessary to carry out the provisions of the Bankruptcy Code. *In re DRW Property Co*. 82, 54 B.R. 489, 494 (Bankr. N.D. Tex. 1985). Some courts have also found authority for substantive consolidation in section 1123(a)(5)(C) of the Bankruptcy Code. Section 1123(a)(5)(C) provides in part, "a plan [of reorganization] shall provide adequate means for the plan's implementation, such as merger or consolidation of the debtor with one or more persons." *See, e.g., In re Stone & Webster, Inc.*, 286 B.R. 532, 541 (Bankr. D. Del. 2002) ("Courts have held that [Section 1123(a)(5)(C)] indicates Congress' intent that a chapter 11 debtor may merge or consolidate with other entities, including other debtors, as part of the reorganization process . . . substantive consolidation is expressly authorized by . . . § 1123(a)(5)(C)"). There are however, no statutorily prescribed standards for court approval of substantive consolidation. Instead, courts apply certain judicially-developed standards to determine the appropriateness of substantive consolidation. *See e.g., In re New Century TRS Holding, Inc.*, 390 B.R. 140, 160 (Bankr. D. Del. 2008) (discussing and applying the Third Circuit's *Owens Corning* test).

The Debtors believe that the limited substantive consolidation requested in the Plan is legally justified under section 1123(a)(5) of the Bankruptcy Code and prevailing case law. Moreover, it is in the best interest of the Debtors' estates and will promote a more expeditious and streamlined distribution and recovery process for all creditors. The proposed substantive consolidation will not affect any liens or other security interests held by any prepetition secured creditors.

The Plan shall serve as a motion seeking entry of an order substantively consolidating the Debtors as described in the Plan and for the limited purposes provided for in the Plan. Unless an objection to substantive consolidation is made in writing by any Creditor affected by the Plan as provided therein on or before the Plan Objection Deadline, the Substantive Consolidation Order (which order may be the Confirmation Order) may be entered by the Bankruptcy Court. In the event any such objections are timely filed, a hearing with respect thereto shall be scheduled by the Bankruptcy Court, which hearing may, but need not, coincide with the Confirmation Hearing.

In the event that the Bankruptcy Court does not substantively consolidate some or all of the Debtors' Estates for voting purposes, the Debtors believe that confirmation and distributions under the Plan will not be affected, except with respect to Class 6. If there were to be no substantive consolidation of the Debtors' Estates, then Class 6 would be divided into several subclasses, one for each Debtor against which Claims have been filed (or which have scheduled Claims).

D. PENSION PLANS

Debtor NMP is a sponsor of a pension plan for UAW Hourly Employees. The Debtors intend to continue to maintain the pension plan subsequent to the Effective Date.

V.

SUMMARY OF THE FIRST AMENDED JOINT PLAN OF REORGANIZATION

A. PURPOSE AND PREDICATES TO THE PLAN

The Plan's primary purpose is to effectuate a restructuring consistent with the terms and conditions of the Consent Agreement. Present debt service requirements do not currently afford the Debtors sufficient flexibility to maximize their present and anticipated future business opportunities. The Restructuring (as defined below) will reduce the amount of the Debtors' outstanding indebtedness by more than $240 million. The Debtors believe that the Restructuring will significantly enhance customer and vendor confidence in their prospects and will enable them to devote additional resources to research and development, capital expenditures and other strategic initiatives.

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

B. ADMINISTRATIVE AND PRIORITY TAX CLAIMS

1. Administrative Claims

Subject to the provisions of sections 328, 330(a) and 331 of the Bankruptcy Code, each Holder of an Allowed Administrative Claim will be paid the full unpaid amount of such Allowed Administrative Claim in Cash: (a) on the Effective Date; (b) or if such Claim is Allowed after the Effective Date, on the date such Claim is Allowed; or (c) upon such other terms as may be agreed upon by such Holder and the Debtors or the Reorganized Debtors, as the case may be, or otherwise upon an order of the Bankruptcy Court; *provided that* Allowed Administrative Claims comprising obligations incurred in the ordinary course of business or otherwise assumed by a Debtor pursuant to the Plan will be assumed on the Effective Date, and thereafter, paid or performed by the respective Reorganized Debtor when due in accordance with the terms and conditions of the particular agreements governing any such obligations and Professional Fee Claims shall be paid from the Retained Professional Escrow Account in accordance with the applicable order of the Bankruptcy Court after filing a fee application, notice and a hearing pursuant to the procedures set forth in Article XII.D. of the Plan. The treatment of Class 3 Claims (First Lien Lenders) and Class 4 Claims (Second Lien Claims) contained in Article III.B. of the Plan shall be in full satisfaction of all Allowed unsecured, secured and administrative claims of such First Lien Lenders and Second Lien Lenders in respect of the First Lien Credit Facility and Second Lien Credit Facility, respectively.

2. DIP Facility Claims

DIP Facility Claims are Unimpaired and unclassified claims. On the Effective Date, the Reorganized Debtors shall either (i) repay the DIP Facility Claims in full in cash from the proceeds of an exit facility to be consummated pursuant to the terms and conditions of the Third Party Exit Credit Documents, which the Reorganized Debtors shall execute and deliver on the Effective Date, or (ii) with the consent of the Requisite Lenders (as defined in the DIP Facility Credit Agreement), which consent may be withheld or delayed in their sole discretion, the Reorganized Debtors shall jointly and severally assume, as borrower or guarantors, all of the actual or contingent DIP Facility Claims, and the terms and conditions of the DIP Facility Claims (including any unfunded commitments) shall be amended and restated as provided in the DIP Facility Exit Credit Documents, which the Reorganized Debtors shall execute and deliver on the Effective Date. Among other things, the indebtedness and other obligations under the Third Party Exit Credit Documents or the DIP Facility Exit Credit Documents, as the case may be, shall be secured by liens upon and security interests in all real and personal property assets of the Reorganized Debtors, such liens and security interests having the same priority as that granted to the Holders of the Allowed DIP Facility Claims under Final DIP Order. On and after the Effective Date, the relative priorities, including without limitation Lien, payment and enforcement priorities, between (a) the indebtedness and other obligations under the Third Party Exit Credit Documents or the DIP Facility Exit Credit Documents, as the case may be, and the Liens securing same, and (b) the indebtedness and other obligations under CapitalSource Exit Credit Documents and the Liens securing same, shall be governed by the terms of the New Intercreditor Agreement.

3. Priority Tax Claims

(a) Priority Tax Claims are Unimpaired and unclassified claims. Except to the extent that a holder of an Allowed Priority Tax Claim has been paid by the Debtors prior to the Effective Date or agrees to a different treatment, on the later of the Effective Date or the date on which a Priority Tax Claim becomes an Allowed Priority Tax Claim, or, in each such case, as soon as practicable thereafter, each Holder of an Allowed Priority Tax Claim due and payable on or prior to the Effective Date will receive on account of such Claim, in accordance with section 1129(a)(9)(C) of the Bankruptcy Code, regular installment payments in Cash: (i) of a total value, as of the Effective Date, equal to the Allowed amount of such Claim; (ii) which total value shall include simple interest to accrue on any outstanding balance of such Allowed Priority Tax Claim starting on the Effective Date at the rate of interest determined under applicable nonbankruptcy law pursuant to section 511 of the Bankruptcy Code; (iii) over a period ending not later than five (5) years after the Petition Date; and (iv) in a manner not less favorable than the most favored nonpriority unsecured Claim provided for by the Plan (other than payments in Cash made to a Class of Creditors under section 1122(b) of the Bankruptcy Code).

(b) *Installment Payments*: Any installment payments made pursuant to section 1129(a)(9)(C) of the Bankruptcy Code shall be in equal quarterly Cash payments beginning on the first day of the calendar month following the Effective Date, and subsequently on the first day of each third calendar month thereafter, as necessary. The amount of any Priority Tax Claim that is not otherwise due and payable on or prior to the Effective Date, and the rights of the Holder of such Claim, if any, to payment in respect thereof shall: (i) be determined in the manner in which the amount of such Claim and the rights of the Holder of such Claim would have been resolved or adjudicated if the Chapter 11 Cases had not been commenced; (ii) survive the Effective Date and Consummation of the Plan as if the Chapter 11 Cases had not been commenced; and (iii) not be discharged pursuant to section 1141 of the Bankruptcy Code. In accordance with section 1124 of the Bankruptcy Code, and notwithstanding any other provision of the Plan to the contrary, the Plan shall not alter or otherwise impair the legal, equitable, and contractual rights of any Holder of a Priority Tax Claim that is not otherwise due and payable on or prior to the Effective Date. Each holder of an Allowed Secured Tax Claim shall retain the Lien securing its Allowed Secured Tax Claim as of the Effective Date until full and final payment of such Allowed Secured Tax Claim is made as provided in the Plan, and upon such full and final payment, such Lien shall be deemed to have been satisfied and shall be

null and void and unenforceable for all purposes.

VI.

CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS AND EQUITY INTERESTS

A. SUMMARY

The categories of Claims and Equity Interests listed below classify Claims and Equity Interests for all purposes, including voting, confirmation and distribution pursuant to the Plan and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. The Plan deems a Claim or Equity Interest to be classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Equity Interest qualifies within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that any such Claim or Equity Interest is Allowed in that Class and has not been paid or otherwise settled prior to the Effective Date. Other than as specifically set forth in the Plan, the treatment of and consideration to be received by holders of Claims or Equity Interests pursuant to Article III of the Plan shall be in full satisfaction, settlement, release and discharge of such holder's respective Claim or Equity Interest. Except as expressly set forth in the Plan or in the Confirmation Order, such discharge shall not affect the liability of any other Person or Entity on, or the property of any other Person or Entity encumbered to secure payment of, any such Claim or Equity Interest; nor shall it affect the Reorganized Debtors' obligations pursuant to the Plan.

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

Class	Claim	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Deemed to Accept
2	Other Secured Claims	Unimpaired	Deemed to Accept
3	First Lien Claims	Impaired	Entitled to Vote
4	Second Lien Claims	Impaired	Entitled to Vote
5	General Unsecured Claims	Impaired	Entitled to Vote
6	Preferred Equity Interests	Impaired	Deemed to Reject
7	Common Equity Interests	Impaired	Deemed to Reject

B. Classification and Treatment of Claims and Equity Interests

1. Class 1—Other Priority Claims.

(a) *Classification*: Class 1 consists of the Other Priority Claims against the Debtors.

(b) *Treatment*: The legal, equitable and contractual rights of the Holders of Allowed Class 1 Claims are unaltered by the Plan. Unless otherwise agreed to by the Holders of the Allowed Class 1 Claim and the Debtors, each Holder of an Allowed Class 1 Claim shall receive, in full and final satisfaction of such Allowed Class 1 Claim, one of the following treatments, as determined by the Debtors and upon the consent of the Requisite Supporting First Lien Term Loan Lenders and after consultation with the Requisite Supporting Second Lien Lenders:

(i) the Debtors will pay the Allowed Class 1 Claim in full, without interest, in Cash on the Effective Date or as soon thereafter as is practicable; *provided that,* Allowed Class 1 Claims representing obligations incurred in the ordinary course of business will be paid in full in Cash when such Allowed Class 1 Claims become due and owing in the ordinary course of business;

(ii) each such Allowed Class 1 Claim will be treated in any other manner so that such Claim shall otherwise be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code; or

(iii) the Debtors will treat the Allowed Class 1 Claim in accordance with subsections (i) and (ii) above thereafter when such claim becomes Allowed.

(c) *Voting*: Class 1 is Unimpaired, and the Holders of Class 1 Claims are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders Class 1 Claims are not entitled to vote to accept or reject the Plan; *provided*, *however*, that all Class 1 Claims shall be subject to Allowance under the provisions of the Plan, including, but not limited to, Article VIII of the Plan.

2. Class 2—Other Secured Claims.

(a) *Classification*: Class 2 consists of the Other Secured Claims against the applicable Debtor.

(b) *Treatment*: Each Holder of an Allowed Class 2 Claim will be placed in a separate subclass of Class 2, and each subclass will be treated as a separate class for distribution purposes. On or as soon as practicable after the Effective Date, each Holder of an Allowed Class 2 Claim shall receive, in full and final satisfaction of such Allowed Class 2 Claim, one of the following treatments, as determined by the Debtors and upon the consent of the Requisite Supporting First Lien Term Loan Lenders and after consultation with the Requisite Supporting Second Lien Lenders:

(i) the Debtors will pay the Allowed Class 2 Claim in full in Cash;

(ii) the Debtors will reinstate the Allowed Class 2 Claim; or

(iii) the Debtors will treat an Allowed Class 2 Claim in a manner indubitably equivalent to the treatments set forth in subsections (i) and (ii) above.

(c) *Voting*: Class 2 is Unimpaired, and the Holders of Class 2 Claims are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 2 Claims are not entitled to vote to accept or reject the Plan; *provided*, *however*, that all Class 2 Claims shall be subject to Allowance under the provisions of the Plan, including, but not limited to, Article VIII of the Plan.

3. Class 3—First Lien Claims

(a) *Classification*: Class 3 consists of the Holders of First Lien Claims.

(b) *Treatment*: On or as soon as practicable after the Effective Date, a Holder of an Allowed Class 3 Claim shall receive, in full and final satisfaction of each such Allowed Class 3 Claim and all other Allowed unsecured, secured and administrative claims of such Holder of an Allowed Class 3 Claim arising in respect of the First Lien Facility and any grant of adequate protection with respect thereto, the following:

(i) The Holder of an Allowed Class 3 Claim that is a First Lien Revolver Lender shall receive the CapitalSource Exit Secured Note (the form of which is included in the Plan Supplement), which secured grid promissory note shall be in an initial principal amount of such First Lien Revolving Lender's Allowed Class 3 Claim, shall provide for an increase in the principal amount thereof in the event there is a drawing on any letter of credit entitled to the benefit of the First Lien Facility and outstanding immediately prior to the Petition Date in the amount of such drawing, shall be for a term ending on November 14, 2013, with interest and principal payable on the terms on conditions set forth in the CapitalSource

Exit Secured Note. On and after the Effective Date, the relative priorities, including without limitation Lien, payment and enforcement priorities, between, on the one hand, the indebtedness and other obligations under the CapitalSource Exit Credit Documents and the Liens securing same and, on the other hand, the indebtedness and other obligations under the Third Party Exit Credit Documents or the DIP Facility Exit Credit Documents, as the case may be, and the Liens securing same, shall be governed by the terms of the New Intercreditor Agreement;

(ii) Each Holder of an Allowed Class 3 Claim that is a First Lien Term Lender shall receive its Pro Rata share of 95% of the Distribution Shares. Each Holder of an Allowed Class 3 Claim that is a First Lien Term Lender shall execute and deliver the Stockholders' Agreement prior to receiving its Pro Rata share of the Distribution Shares as set forth above. If any such Holder has not executed and delivered the Stockholders' Agreement by the 60th day after the Effective Date, such Holder shall no longer be eligible to receive any distribution of the New Common Stock, and such Holder's share of the New Common Stock will be distributed Pro Rata, to the remaining Holders of Allowed Class 3 Claims that are First Lien Term Lenders that are parties to the New Stockholders' Agreement;

(iii) All fees, costs and expenses of the First Lien Agents and their respective predecessors-in-interest (including, without limitation, all First Lien Professional Fees) that are outstanding as of the Effective Date shall be paid in full in Cash on the Effective Date; and

(iv) The foregoing treatment of the Allowed Class 3 Claims gives full effect to any intercreditor or other provisions in any of the First Lien Documents (including, without limitation, the provisions of Section 2.15(b) of the First Lien Credit Agreement and Section 7.2 of the Pledge and Security Agreement (as defined in the First Lien Credit Agreement)), any Second Lien Documents, Prepetition Intercreditor Agreement or any of the other Prepetition Collateral Documents relating to the application of proceeds or payments in respect of the First Lien Obligations and/or the Second Lien Obligations, and accordingly, no Holder of an Allowed Class 3 Claim or an Allowed Class 4 Claim shall have any claim against any other Holder of an Allowed Class 3 Claim (or any First Lien Agent) or Allowed Class 4 Claim (or any Second Lien Agents) based upon or otherwise arising in respect of any such intercreditor or other provisions of any First Lien Documents, Second Lien Documents, Prepetition Intercreditor Agreement, other Prepetition Collateral Documents or otherwise.

(c) *Voting*: Class 3 is Impaired, and Holders of Class 3 Claims are entitled to vote to accept or reject the Plan.

4. Class 4—Second Lien Claims

(a) *Classification*: Class 4 consists of the Holders of Second Lien Claims.

(b) *Treatment*: On or as soon as practicable after the Effective Date, each Holder of an Allowed Class 4 Claim shall receive, in full and final satisfaction of its Allowed Class 4 Claim and all other Allowed unsecured, secured and administrative claims of such Holder of an Allowed Class 4 Claim arising in respect of the Second Lien Facility and any grant of adequate protection with respect thereto, its Pro Rata share of the following:

(i) 5% of the Distribution Shares. Each Holder of an Allowed Class 4 Claim shall execute and deliver the Stockholders' Agreement prior to receiving its Pro Rata share of the Distribution Shares as set forth above. If any such Holder has not

executed and delivered the Stockholders' Agreement by the 60th day after the Effective Date, such Holder shall no longer be eligible to receive any distribution of the New Common Stock, and such Holder's share of the New Common Stock will be distributed Pro Rata, to the remaining Holders of Allowed Class 4 Claims that are parties to the Stockholders' Agreement; and

(ii) the Class 4 Warrants. Notwithstanding the foregoing, each Holder of an Allowed Class 4 Claim shall execute and deliver the Stockholders' Agreement prior to receiving its Pro Rata share of the Class 4 Warrants. If any such Holder of Second Lien Claims has not executed and delivered the Stockholders' Agreement by the 60th day after the Effective Date, such Holder shall no longer be eligible to receive any distribution of the Class 4 Warrants, and such Holder's share of the Class 4 Warrants will be distributed Pro Rata, to the remaining Holders of Allowed Class 4 Claim that are parties to the Stockholders' Agreement.

(iii) All fees, costs and expenses of the Second Lien Agents and its predecessor-in-interest (including, without limitation, all Second Lien Professionals' Fees up to the Second Lien Fee Cap) that are outstanding as of the Effective Date shall be paid in full in Cash on the Effective Date; and

(iv) The foregoing treatment of the Allowed Class 4 Claims gives full effect to any intercreditor or other provisions in any of the Second Lien Documents (including without limitation, the provisions of Section 2.15(b) of the Second Lien Credit Agreement and Section 7.2 of the Second Lien Pledge and Security Agreement), any First Lien Documents, Prepetition Intercreditor Agreement or any of the other Prepetition Collateral Documents relating to the application of proceeds or payments in respect of the First Lien Obligations and/or Second Lien Obligations, and accordingly, no Holder of an Allowed Class 3 Claim shall have any claim against any Holder of an Allowed Class 4 Claim (or the Second Lien Agents) based upon or otherwise arising in respect of any such intercreditor or other provisions of any First Lien Documents, Second Lien Documents, Prepetition Intercreditor Agreement or other Prepetition Collateral Documents.

(c) *Voting*: Class 4 is Impaired, and Holders of Class 4 Claims are entitled to vote to accept or reject the Plan.

5. Class 5—General Unsecured Claims

(a) *Classification*: Class 5 consists of Holders of General Unsecured Claims, including, without limitation, the Interest Rate Swap Claims and the Claims of OEMs that are not Specified OEMs. Claims of the Specified OEMs are not included in Class 5 and shall not share in the Class 5 Recovery because such Claims are governed by the assumption by the Debtors of the Specified OEMs' contracts and purchase orders pursuant to Article VI.A. of the Plan and the consequent payment in full of such claims in the ordinary course of business pursuant to the terms of the respective OEM Consensually Modified Agreements.

(b) *Treatment*: Each Holder of an Allowed Class 5 Claim, but not including the holders of the Interest Rate Swap Claims and the WYC Claims, shall receive his, her or its Pro Rata share of the $120,000 Class 5 Recovery, in full and final satisfaction of each such Allowed Class 5 Claim. The holder of the Interest Rate Swap Claims shall have an allowed general unsecured claim in the amount of one million dollars ($1,000,000.00) in respect of the Interest Rate Swap Claims and shall receive the Morgan Stanley Exit Swap in full and final satisfaction of the Interest Rate Swap Claims. The holder of the WYC Claims shall receive on the Effective Date ten thousand dollars (10,000.00) in full and final satisfaction of the WYC Claims.

(c) *Voting*: Class 5 is Impaired, and Holders of Class 5 Claims are entitled to vote to accept or reject the Plan; *provided*, *however*, that all Class 5 Claims shall be subject to Allowance under the provisions of the Plan, including, but not limited to, Article VIII of the Plan.

6. Class 6—Preferred Equity Interests

(a) *Classification*: Class 6 consists of all Preferred Equity Interests in the Debtors.

(b) *Treatment*: On the Effective Date, all Class 6 Preferred Equity Interests shall be deemed cancelled, and shall be of no further force and effect, whether surrendered for cancellation or otherwise, and there shall be no distribution to the Holders of Preferred Equity Interests.

(c) *Voting*: Class 6 is Impaired, and Holders of Class 6 Preferred Equity Interests are conclusively deemed to reject the Plan. Holders of Class 6 Preferred Equity Interests are therefore not entitled to vote to accept or reject the Plan.

7. Class 7— Common Equity Interests

(a) *Classification*: Class 7 consists of all Common Equity Interests in the Debtors.

(b) *Treatment*: On the Effective Date, all Class 7 Common Equity Interests shall be deemed cancelled, and shall be of no further force and effect, whether surrendered for cancellation or otherwise, and there shall be no distribution to the Holders of Common Equity Interests.

(c) *Voting*: Class 7 is Impaired, and Holders of Class 7 Common Equity Interests are conclusively deemed to reject the Plan. Holders of Class 7 Common Equity Interests are therefore not entitled to vote to accept or reject the Plan.

C. Intercompany Claims and Equity Interests

Notwithstanding anything described in the Plan to the contrary, on the Effective Date or as soon thereafter as is reasonably practicable, at the option of the Reorganized Debtors with the consent of the Requisite Supporting First Lien Lenders and after consultation with the Requisite Supporting Second Lien Lenders, Intercompany Claims, and claims of any Debtor against any other Debtor may be: (i) preserved and reinstated, in full or in part; (ii) cancelled and discharged, in full or in part, in which case such discharged and satisfied portion shall be eliminated and the holders thereof shall not be entitled to, and shall not receive or retain, any property or interest in property on account of such portion under the Plan; (iii) eliminated or waived based on accounting entries in the Debtors' or Reorganized Debtors' books and records and other corporate activities; or (iv) contributed to the capital of the Entity obligated in respect of such Intercompany Claim.

The cancellation of Preferred and Common Equity Interests pursuant to the Plan shall not apply to any equity interests of any Debtor in any other Debtor, which intercompany equity interests shall remain unimpaired and unaltered under the terms of the Plan after the Effective Date.

D. Special Provision Governing Unimpaired Claims

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' or the Reorganized Debtors' rights in respect of any Unimpaired Claims, including, but not limited to, all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claims.

VII.

ACCEPTANCE OR REJECTION OF THE PLAN

A. Voting Classes

Each Holder of an Allowed Claim in Classes 3, 4 and 5 shall be entitled to vote to accept or reject the Plan.

B. Acceptance by Voting Classes

The Voting Classes shall have accepted the Plan if: (a) the Holders (other than any Holder designated under section 1126(e) of the Bankruptcy Code) of at least two thirds in amount of the Allowed Claims actually voting in that Class have voted to accept the Plan; and (b) the Holders (other than any Holder designated under section 1126(e) of the Bankruptcy Code) of more than one half in number of the Allowed Claims actually voting in that Class have voted to accept the Plan.

C. Presumed Acceptance of Plan

Classes 1 and 2 are Unimpaired under the Plan, and are therefore presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.

D. Presumed Rejection of Plan

Classes 6 and 7 are Impaired and shall receive no distribution, and are therefore presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code.

E. Elimination of Vacant Classes

Any Class of Claims that is not occupied as of the date of the commencement of the Confirmation Hearing by the Holder of an Allowed Claim or a Claim temporarily allowed under Bankruptcy Rule 3018 (i.e., no Ballots are cast in a Class entitled to vote on the Plan) shall be deemed eliminated from the Plan for the purposes of voting to accept or reject the Plan and for purposes of determining acceptances or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

F. Non-Consensual Confirmation; Cramdown

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 6 and 7. To the extent that any of the Voting Classes vote to reject the Plan, the Debtors further reserve the right to seek (a) Confirmation of the Plan under section 1129(b) of the Bankruptcy Code; and/or (b) modify the Plan in accordance with Article XII.E. thereof.

VIII.

MEANS FOR IMPLEMENTATION OF THE PLAN

A. Consolidation of the Debtors for Voting and Distribution

On and after the Effective Date, except for Class 2 Claims, each and every Claim in the Debtors' Chapter 11 Cases against any of the Debtors shall be deemed filed against the consolidated Debtors, and shall be deemed a single consolidated Claim against and obligation of all of the consolidated Debtors. Such limited consolidation shall not affect (other than for Plan voting and distribution purposes) (i) the legal and corporate structures of the Reorganized Debtors, or (ii) pre- and post-Petition Date Liens, guarantees and security interests that are required to be maintained (x) in connection with contracts that were entered into during the Debtors' Chapter 11 Cases or that have been or will be assumed pursuant to section 365 of the Bankruptcy Code and the Plan, (y) in connection with the terms of the DIP Facility, the DIP Facility Exit Credit Documents or the Third Party Exit Credit Documents, as the case may be, the CapitalSource Exit Credit Documents, the New Common Stock and the Class 4 Warrants, and

(z) pursuant to the terms and conditions contained in the Plan. From and after the Effective Date, each of the Reorganized Debtors will be deemed a separate and distinct entity, properly capitalized, vested with all of the assets of such debtor as they existed prior to the Effective Date and having the liabilities and obligations provided for under the Plan.

B. Vesting of Assets in the Reorganized Debtors

Pursuant to section 1141(b) of the Bankruptcy Code, all property of the respective estate of each Debtor, 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, or by order of the Bankruptcy Court, will revest in the applicable Reorganized Debtor on the Effective Date. Thereafter, the Reorganized Debtors may operate their businesses and may use, acquire and dispose of property free of any restrictions of the Bankruptcy Code, the Bankruptcy Rules and the Bankruptcy Court. As of the Effective Date, all property of each Reorganized Debtor will be free and clear of all Liens, Claims and Equity Interests except as specifically provided pursuant to the Plan, the Confirmation Order, the DIP Facility Exit Credit Documents or the Third Party Exit Credit Documents, as the case may be, and the CapitalSource Exit Credit Documents.

C. Cancellation of Equity Interests

On the Effective Date, except to the extent otherwise provided in the Plan, all notes, stock, instruments, certificates, and other documents evidencing the Equity Interests shall be cancelled, and the obligations of the Debtors thereunder or in any way related thereto shall be discharged. On the Effective Date, except to the extent otherwise provided therein, any indenture or similar instrument relating to any of the foregoing shall be deemed to be canceled, as permitted by section 1123(a)(5)(F) of the Bankruptcy Code, and the obligations of the Debtors thereunder shall be discharged.

D. Issuance of New Securities; Execution of Related Documents

On or immediately after the Effective Date, the Reorganized Debtors shall issue all securities, notes, stock, instruments, certificates, and other documents required to be issued pursuant to the Plan, including, without limitation, New Common Stock and the New Organizational Documents, each of which shall be distributed as provided therein. The Reorganized Debtors shall execute and deliver all other agreements, documents and instruments that are required to be executed pursuant to the terms thereof.

E. Effectuating Documents; Further Transactions

The chief executive officer, chief financial officer or any other appropriate officer of Debtor J.L. French Automotive Castings, Inc. or Reorganized J.L. French Automotive Castings, Inc., or any other applicable Debtor or Reorganized Debtor, as the case may be, shall be authorized to: (a) execute, deliver, file or record such contracts, instruments, releases, indentures and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan; and (b) certify or attest to any of the foregoing actions.

F. Creation of Retained Professional Escrow Account

On the Effective Date, the Reorganized Debtors shall establish the Retained Professional Escrow Account and reserve the amounts necessary to ensure the payment of all Allowed Accrued Professional Compensation.

G. Corporate Governance, Directors and Officers, and Corporate Action

1. Reorganized J.L. French Automotive Castings, Inc. Certificate of Incorporation and By-Laws

On the Effective Date, Reorganized J.L. French Automotive Castings, Inc. shall file the Reorganized J.L. French Automotive Castings, Inc. Certificate of Incorporation with the Secretary of State of the state of Delaware in accordance with Section 103 of the General Corporation Law of the state of Delaware. The Reorganized J.L. French Automotive Castings, Inc. Certificate of Incorporation and the Reorganized J.L. French Automotive Castings, Inc.

By-Laws will, among other things: (a) authorize the issuance of New Common Stock; and (b) prohibit the issuance of non-voting securities pursuant to section 1123(a)(6) of the Bankruptcy Code.

2. Effectiveness of Stockholders' Agreement

The Plan provides that the Stockholders' Agreement, as thereinafter amended or changed on the terms thereof, shall be deemed effective and binding upon all Holders of New Common Stock on the Effective Date and upon all future Holders of New Common Stock (including all holders of warrants issued pursuant to the Warrant Agreements (the "Warrants")).

3. Directors and Officers of the Reorganized Debtors

The New Board's composition shall be disclosed in a notice to be filed with the Bankruptcy Court prior to the commencement of the Confirmation Hearing. The directors of the remaining Reorganized Debtors shall be appointed by the New Board on the Effective Date in accordance with the terms of the Stockholders' Agreement. The Debtors' current management will continue as the management of the Reorganized Debtors, subject to review of the New Board. The Debtors will disclose, prior to the commencement of the Confirmation Hearing, the nature of any compensation for any member of the New Board who is an "Insider" under the Bankruptcy Code. Each such director, officer and member shall serve from and after the Effective Date pursuant to the terms of the Reorganized J.L. French Automotive Castings, Inc. Certificate of Incorporation, other constituent documents, or the Delaware General Corporation Law.

4. Management Incentive Program

The New Board shall be authorized, but not obligated, to implement the Management Incentive Program as authorized by and pursuant to the New Organizational Documents, *provided that* the terms and conditions of that Management Incentive Program have been agreed to by the New Board. The New Organizational Documents shall explicitly authorize the New Board to issue the Maximum Authorized Management Incentive Program Shares of New Common Stock for the Management Incentive Program.

5. D&O Tail Coverage Policies

Reorganized J.L. French Automotive Castings, Inc. will obtain sufficient tail coverage for a period of six (6) years under a directors' and officers' insurance policy for the current and former officers and directors of the Debtors.

6. Corporate Action

On the Effective Date, the adoption and filing (as necessary) of the New Organizational Documents, the approval of the Reorganized J.L. French Automotive Castings, Inc. By-Laws, the appointment of directors, officers, managers, members and partners for the Reorganized Debtors, the adoption of a Management Incentive Program, and all actions contemplated thereby, shall be 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 Reorganized Debtors and any corporate action required by the Debtors or the Reorganized Debtors in connection with the Plan, shall be deemed to have occurred and shall be in effect, without any requirement of further action by the security holders, officers or directors of the Debtors or the Reorganized Debtors. On the Effective Date, the appropriate directors and officers of the Reorganized Debtors are authorized and directed to issue, execute and deliver the agreements, documents, securities and instruments contemplated by the Plan and the Plan Documents in the name of and on behalf of the Reorganized Debtors. Entry of the Confirmation Order will constitute approval of the Plan Documents and all such transactions subject to the occurrence of the Effective Date.

H. Sources of Cash for Plan Distribution

All Cash necessary for the Debtors, or the Reorganized Debtors, as the case may be, to make payments pursuant to the Plan (including, but not limited to, the Exit Costs) shall be obtained from existing Cash balances as of the Effective Date.

I. Exit Financing

The Reorganized Debtors intend to either (1) obtain a $15,000,000 exit financing facility from a third party on market terms or (2) jointly and severally assume, as borrower or guarantors, all of the actual or contingent DIP Facility Claims, and the terms and conditions of the DIP Facility Claims (including any unfunded commitments) shall be amended and restated as provided in the DIP Facility Exit Credit Documents, which the Reorganized Debtors shall execute and deliver on the Effective Date.

IX.

TREATMENT OF EXECUTORY CONTRACTS, UNEXPIRED LEASES AND PENSION PLAN

A. Assumption and Rejection of Executory Contracts and Unexpired Leases

Any executory contracts and unexpired leases that have not expired by their own terms on or prior to the Effective Date, which the Debtors have not assumed or rejected during the pendency of the Chapter 11 Cases and which are not listed in the Plan Supplement as executory contracts or unexpired leases to be rejected, and that are not the subject of a motion pending as of the Effective Date to reject the same, shall be deemed assumed by the Debtors as of immediately prior to the Effective Date, and the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of any such assumptions pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Those executory contracts and unexpired leases listed in the Plan Supplement as executory contracts or unexpired leases to be rejected shall be deemed rejected by the Debtors as of immediately prior to the Effective Date, and the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of any such rejections pursuant to sections 365(a) and 1123 of the Bankruptcy Code.

To the extent any executory contract or unexpired lease is with a Debtor to be merged into another Debtor and is to be assumed or deemed assumed under the Plan, the executory contract or unexpired lease also shall be deemed to be an asset and liability and obligation of the Reorganized Debtor into which that Debtor is to be merged.

On the Effective Date, the Debtors shall be deemed to have assumed the OEM Consensually Modified Agreements, and the OEM Consensually Modified Agreements shall be effective and binding upon the Debtors and the respective Specified OEMs.

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

All proofs of Claim arising from the rejection (if any) of executory contracts or unexpired leases must be filed with the Voting Agent within thirty (30) days after the earlier of: (a) the date of entry of an order of the Bankruptcy Court approving any such rejection; and (b) the Effective Date. Any Claims arising from the rejection of an executory contract or unexpired lease for which proofs of Claim were not timely Filed within that time period will be forever barred from assertion against the Debtors or the Reorganized Debtors, their Estates and property unless otherwise ordered by the Bankruptcy Court or as otherwise provided in the Plan. All such Claims shall, as of the Effective Date, be subject to the discharge and permanent injunction set forth in Article X.I. and Article X.J. of the Plan.

C. Cure of Defaults for Executory Contracts and Unexpired Leases Assumed Pursuant to the Plan

Any monetary amounts by which any executory contract and unexpired lease to be assumed pursuant to the Plan (including pursuant to Article VI.A of the Plan) is in default shall be satisfied, pursuant to section 365(b)(1) 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)(1) of the Bankruptcy Code shall be made following the entry of a Final Order resolving the dispute and approving the assumption of any executory contracts or unexpired leases. Nevertheless, the Debtors or the Reorganized Debtors in their discretion may file with the Bankruptcy Court (or any other court of competent

jurisdiction) an objection to any matter pertaining to the assumption. All such objections shall be litigated to Final Order, *provided*, *however*, that the Debtors may compromise and settle, withdraw or resolve by any other method approved by the Bankruptcy Court, any such objections. In the event of such a dispute, the cure payments required by Section 365(b)(1) of the Bankruptcy Code shall be made in the ordinary course following the entry of a Final Order resolving the dispute and approving the assumption; provided, however, that based on the Bankruptcy Court's resolution of any such dispute, the applicable Debtor or Reorganized Debtor shall have right, within thirty (30) days of the entry of such Final Order and subject to approval of the Bankruptcy Court pursuant to Section 365 of the Bankruptcy Code, to reject the applicable executory contract or unexpired lease.

D. Indemnification of Directors, Officers and Employees

All indemnification provisions in place on and prior to the Effective Date for current and former directors and officers of the Debtors and their subsidiaries shall survive the Effective Date of the Plan for Claims related to or in connection with any actions, omissions or transactions occurring prior to the Effective Date. As of the Effective Date, all indemnification provisions currently in place (whether in the by-laws, certificates of incorporation, articles of limited partnership, board resolutions, contracts or otherwise) for the current and former directors, officers, employees, attorneys, other professionals and agents of the Debtors shall be deemed to have been assumed by the Reorganized Debtors, and shall survive effectiveness of the Plan. All contingent and unliquidated Claims of Debtors' current and former directors, officers and employees for indemnification, defense or reimbursement of any liability shall be deemed expunged and withdrawn as of the Effective Date. The Reorganized Debtors shall be required to indemnify a director or officer in connection with a proceeding (or part thereof) initiated by such director or officer only if such proceeding (or part thereof) was authorized by the board of directors of the Reorganized Debtors.

E. Assumption of D&O Insurance Policies

As of the Effective Date, the Reorganized Debtors shall be deemed to have assumed all of the Debtors' directors and officers liability insurance policies pursuant to section 365(a) of the Bankruptcy Code. Entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Reorganized Debtors' foregoing assumption of each of the Debtors' directors and officers liability insurance policies. Notwithstanding anything to the contrary contained in the Plan, Confirmation of the Plan shall not discharge, impair or otherwise modify any indemnity obligations assumed by the foregoing assumption of the Debtors' directors and officers liability insurance policies, and each such indemnity obligation will be deemed and treated as an executory contract that has been assumed by the Debtors under the Plan as to which no proof of claim need be Filed.

F. Compensation and Benefit Programs

Except as otherwise expressly provided in the Plan or in the Plan Supplement, all employment agreements and policies, and all compensation and benefit plans, policies, and programs of the Debtors applicable to their employees and non-employee directors, including, without limitation, all savings plans, retirement plans, health care plans, disability plans, severance benefit agreements and plans, incentive plans, deferred compensation plans and life, accidental death and dismemberment insurance plans, shall be treated as executory contracts under the Plan, and on the Effective Date will be deemed assumed pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code; and the Debtors' and Reorganized Debtors' obligations under such programs to such Persons shall survive confirmation of the Plan, except for: (a) executory contracts or employee benefit plans specifically rejected pursuant to the Plan (to the extent that any such rejection does not violate the Bankruptcy Code including, but not limited to, sections 1114 and 1129(a)(13) thereof); (b) all employee equity or equity-based incentive plans; and (c) such executory contracts or employee benefit plans as have previously been rejected, are the subject of pending rejection procedures or a motion to reject as of the Confirmation Date, or have been specifically waived by the beneficiaries of any employee benefit plan or contract; *provided however*, that the Reorganized Debtors' obligations, if any, to pay all "retiree benefits" as defined in section 1114(a) of the Bankruptcy Code shall continue unless and to the extent that any such retiree benefits have been modified in accordance with section 1114 of the Bankruptcy Code.

The Pension Benefit Guaranty Corporation ("PBGC") asserts that each of the Debtors is either a sponsor or a controlled group member of a sponsor of the Nelson Metal Products Corporation Pension Plan for UAW Hourly Employees (the "Pension Plan").

Notwithstanding anything to the contrary herein, in the Plan, or in the Plan Supplement, the Reorganized Debtors intend to continue to maintain the Pension Plan subsequent to the Effective Date and to make the contributions required by law.

The PBGC has the authority to initiate termination proceedings regarding the Pension Plan; if the Pension Plan were to terminate prior to the Confirmation Date, certain claims, including claims that the PBGC may assert are entitled to priority under various Bankruptcy Code provisions, would arise. Debtor takes no position with respect to such assertions at this time. Notwithstanding anything to the contrary herein, in the Plan, or in the Plan Supplement, in the event that the Pension Plan does not terminate prior to the Confirmation Date, all claims of, or with respect to, the Pension Plan (including the contingent claims of PBGC for unfunded benefit liabilities pursuant to 29 U.S.C. § 1362(b), the claims of PBGC pursuant to 29 U.S.C. § 1362(c) for unpaid contributions owing to the Pension Plan and claims for any premiums owed under 29 U.S.C. § 1307) shall be unaffected by the confirmation of the Plan, and such claims shall not be discharged, released, exculpated or otherwise affected by these proceedings. Notwithstanding anything to the contrary herein, in the Plan, or in the Plan Supplement, there shall be no discharge, exculpation or release in favor of any Reorganized Debtors, controlled group members or other persons or entities or their property with respect to any fiduciary claims under the Employee Retirement Income Security Act of 1974, as amended, or with respect to any claims of the Pension Plan or PBGC relating to the Pension Plan, and there shall be no injunction against the assertion of any of the foregoing claims.

Without limiting the foregoing, in the event of termination of the Pension Plan after the Confirmation Date, the contributing sponsor, and any members of its controlled group as of the date of termination, shall be liable to PBGC for any unfunded benefit liabilities under 29 U.S.C. § 1362(b), any unpaid contributions under 29 U.S.C. § 1362(c), and any premiums owed under 29 U.S.C. § 1307.

G. Workers' Compensation Programs

As of the Effective Date, the Reorganized Debtors shall be deemed to have assumed all of the Debtors' workers' compensation insurance policies pursuant to section 365(a) of the Bankruptcy Code. Entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Reorganized Debtors' foregoing assumption of each of the Debtors' workers' compensation liability insurance policies. As of the Effective Date, the Debtors and the Reorganized Debtors shall continue to honor their obligations under: (i) all applicable workers' compensation laws in states in which the Reorganized Debtors operate; and (ii) the Debtors' written contracts, agreements, agreements of indemnity, self-insurer workers' compensation bonds, policies, programs, and plans for workers' compensation and workers' compensation insurance. All Proofs of Claim on account of workers' compensation shall be deemed withdrawn automatically and without any further notice to or action, order, or approval of the Bankruptcy Court; *provided*, *however*, that nothing in the Plan shall limit, diminish, or otherwise alter the Debtors' or Reorganized Debtors' defenses, claims, Causes of Action, or other rights under applicable non-bankruptcy law with respect to any such contracts, agreements, policies, programs, and plans; provided however, that nothing in the Plan shall be deemed to impose any obligations on the Debtors in addition to what is provided for in the applicable laws.

X.

PROVISIONS GOVERNING DISTRIBUTIONS

A. Distribution Record Date

As of the close of business on the date the Clerk of the Bankruptcy Court enters the Confirmation Order or such other date as may be designated in the Confirmation Order, the various transfer registers for each of the Classes of Claims or Equity Interests as maintained by the Debtors or their agents (other than Classes 3 and 4) will be deemed closed, and there will be no further changes in the record holders of any of the Claims or Equity Interests (other than Classes 3 and 4). The Debtors will have no obligation to recognize any transfer of any Claims or Equity Interests occurring on or after the Distribution Record Date (other than Classes 3 and 4). The Debtors or Reorganized Debtors, as applicable, will recognize only those record holders stated on the transfer ledgers as of the close of business on the Distribution Record Date (other than Classes 3 and 4). The Distribution Record Date is the record date for purposes of making distributions under the Plan.

In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, and if so completed will be deemed to have been completed as of the required date

B. Disbursing Agent

Reorganized J.L. French Automotive Castings, Inc., as Disbursing Agent, or such other entity designated by Reorganized J.L. French Automotive Castings, Inc. as a Disbursing Agent, will make all distributions under the Plan when required by the Plan. A Disbursing Agent will not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court

C. Rights and Powers of the Disbursing Agent

The Disbursing Agent will be empowered to (a) effect all actions and execute all agreements, instruments and other documents necessary to perform its duties under the Plan, (b) make all distributions contemplated thereby, (c) employ professionals to represent it with respect to its responsibilities, and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions of the Plan.

D. Distributions for Claims Allowed as of the Effective Date

Except as otherwise provided in the Plan or as may be ordered by the Bankruptcy Court, the Disbursing Agent shall make distributions on the Effective Date or as soon as reasonably practicable thereafter on account of all Allowed Claims that are entitled to receive distributions under the Plan, and shall make further distributions to Holders of Claims that subsequently are determined to be Allowed Claims.

The New Common Stock and Warrants to be issued under the Plan shall be deemed issued as of the Effective Date regardless of the date on which they are actually dated, authenticated or distributed.

E. Delivery and Distributions and Undeliverable or Unclaimed Distributions

1. Delivery of Distributions in General

Distributions to Holders of Allowed Claims shall be made at the address of the Holder of such Claim as indicated on the records of the Debtors or the Reorganized Debtors, as the case may be, as of the Effective Date. Except as otherwise provided in the Plan, the Disbursing Agent shall make distributions to Holders of Allowed Claims at the address for each such Holder indicated on the Debtors' records on the date of any such distribution; *provided*, *however*, that the manner of such distributions shall be determined at the discretion of the Debtors or Reorganized Debtors, as the case may be; and *provided further* that the Debtors' books and records for the address for each Holder of an Allowed Claim shall be deemed to be the address set forth in any proof of Claim filed by that Allowed Claim Holder; and *provided further* that all distributions to the First Lien Lenders and Second Lien Lenders shall be made directly by the Disbursing Agent on the Effective Date or as soon as practicable after the Effective Date.

2. Undeliverable Distributions

(a) Holding of Certain Undeliverable Distributions.

If any distribution to a Holder of an Allowed Claim is returned to the Reorganized Debtors as undeliverable, no further distributions shall be made to such Holder unless and until the Reorganized Debtors are notified in writing of such Holder's then current address. Undeliverable distributions shall remain in the possession of the Reorganized Debtors, subject to Article VII.E.2 of the Plan, until such time as any such distributions become deliverable. Undeliverable Cash shall not be entitled to any interest, dividends or other accruals of any kind. As soon as reasonably practicable, the Reorganized Debtors shall make all distributions that become deliverable.

(b) Failure to Claim Undeliverable Distributions.

In an effort to ensure that all Holders of Allowed Claims receive their allocated distributions, sixty (60) days after the Effective Date, the Reorganized Debtors will file with the Bankruptcy Court a listing of the Holders of undeliverable distributions. This list will be maintained for as long as the Chapter 11 Cases remain open. Any Holder of an Allowed Claim, irrespective of when a Claim became an Allowed Claim, that does not assert a Claim pursuant to the Plan for an undeliverable distribution (regardless of when not deliverable) within the later of (i) one (1) year after the Effective Date, and (ii) sixty (60) days after the date such Claim becomes an Allowed Claim shall have its Claim for such undeliverable distribution discharged and shall be forever barred from asserting any such Claim against the Reorganized Debtors or their property. In such cases: (i) any Cash held for distribution on account of such Claims shall be property of the Reorganized Debtors, free of any restrictions thereon; and (ii) any New Common Stock or Class 4 Warrants held for distribution on account of such Claims shall be canceled and of no further force or effect. Nothing contained in the Plan shall require the Reorganized Debtors to attempt to locate any Holder of an Allowed Claim.

(c) Failure to Present Checks.

Checks issued by the Reorganized Debtors on account of Allowed Claims shall be null and void if not negotiated within 180 days after the issuance of such check. The Debtors shall periodically File with the Bankruptcy Court a list of Holders of un-negotiated checks. Any Holder of an Allowed Claim holding an un-negotiated check that does not seek reissuance within 240 days after the initial mailing or other delivery of such check shall have its right to a distribution in the amount of the un-negotiated check discharged, and such Holder shall be forever, barred, enjoined and estopped from asserting any such Claim against the Reorganized Debtors or their property. In such cases, any Cash held for payment of such Claims shall be property of the Reorganized Debtors free of any Claims of such Holder for the amount of such un-negotiated check. Nothing contained in the Plan shall require the Debtors to attempt to locate any Holder of an Allowed Claim.

3. Compliance with Tax Requirements/Allocations

In connection with the Plan, to the extent applicable, the Reorganized Debtors shall comply with all tax withholding and reporting requirements imposed on them by any governmental unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. For tax purposes, distributions received by Holders in full or partial satisfaction of Allowed Claims will be allocated first to unpaid interest that accrued on such Claims, with any excess allocated to the principal amount of Allowed Claims.

F. Timing and Calculation of Amounts to be Distributed

On the Effective Date or as soon as practicable thereafter (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such a Claim becomes an Allowed Claim or as soon as practicable thereafter), each Holder of an Allowed Claim against the Debtors shall receive the full amount of the distributions that the Plan provides for Allowed Claims in the applicable Class. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in Article VIII of the Plan.

G. Minimum Distribution

Any other provision of the Plan notwithstanding, no fractional shares of New Common Stock or fractional Warrants shall be distributed. Whenever any payment of a fractional share or Warrant under the Plan would otherwise be called for, the actual payment will reflect a rounding of such fraction to the nearest whole share or Warrant (up or down), with half shares or half warrants or less being rounded down. Any other provision of the Plan notwithstanding, the Debtors or the Reorganized Debtors, as the case may be, will not be required to make distributions or payments of less than $50 (whether cash or otherwise), and they will likewise not be required to make distributions or payments of fractions of dollars. Whenever any payment of a fraction of a dollar under the Plan would otherwise be called for, the actual payment will reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars or less being rounded down.

H. Setoffs; Subordination

Other than with respect to the Claims of the First Lien Term Lenders, the First Lien Revolving Lender, the Second Lien Lenders and the DIP Lenders (as to which all rights of setoff or recoupment are waived pursuant to the Plan by the Debtors and the Reorganized Debtors), the Debtors and the Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim and the distributions to be made pursuant to the Plan on account of such Allowed Claim (before any distribution is made on account of such Allowed Claim), the claims, equity interests, rights and Causes of Action of any nature that the Debtors or the Reorganized Debtors may hold against the Holder of any such Allowed Claim; *provided that* neither the failure to effect such a setoff nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claims, equity interests, rights and Causes of Action that the Debtors or the Reorganized Debtors may possess against any such Holder, except as specifically provided in the Plan. All Claims against the Debtors and all rights and Claims between or among Holders of Claims relating in any manner whatsoever to distributions on account of Claims against or Equity Interests in the Debtors, based upon any claimed subordination rights, whether asserted or unasserted, legal or equitable, shall be deemed satisfied by the distributions under the Plan to Holders of Claims having such subordination rights, and such subordination rights shall be deemed waived, released, discharged, and terminated as of the Effective Date. Except as otherwise specifically provided for in the Plan, distributions to the various Classes of Claims under the Plan shall not be subject to levy, garnishment, attachment, or like legal process by any Holder of a Claim by reason of any subordination rights or otherwise, so that each Holder of a Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan.

XI.

PROCEDURES FOR RESOLVING DISPUTED, CONTINGENT AND UNLIQUIDATED CLAIMS OR EQUITY INTERESTS

A. Resolution of Disputed Claims

1. Prosecution of Claims Objections

The Debtors prior to the Effective Date, and thereafter the Reorganized Debtors, shall have the exclusive authority to file objections on or before the Claims Objection Bar Date, settle, compromise, withdraw or litigate to judgment objections to any and all Claims, regardless of whether classified or otherwise. From and after the Effective Date, the Reorganized Debtors may settle or compromise any Disputed Claim without approval of the Bankruptcy Court; *provided, however* that the Reorganized Debtors must receive the prior written approval of the Requisite Supporting First Lien Term Loan Lenders and consult with the Requisite Supporting Second Lien Lenders prior to entering into any settlement or compromise of any Disputed Claim if the face amount of the Disputed Claim is in excess of $100,000.00.

2. Claims Estimation

Before the Effective Date, the Debtors, and after the Effective Date, the Reorganized Debtors 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 or the Reorganized Debtors have previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount will constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Debtors or the Reorganized Debtors may elect to pursue any supplemental proceedings to object to any ultimate payment on such Claim. All of the aforementioned Claims and objection, estimation and resolution procedures are cumulative and not necessarily exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court.

3. Payments and Distributions on Disputed Claims

Notwithstanding any provision in the Plan to the contrary, except as otherwise agreed by the Reorganized Debtors in their discretion, no partial payments and no partial distributions will be made with respect to a Disputed Claim until the resolution of any such disputes by settlement or Final Order. On the date or, if such date is not a Business Day, on the next successive Business Day that is twenty (20) calendar days after the end of the calendar quarter in which a Disputed Claim becomes an Allowed Claim, the Holder of such Allowed Claim will receive all payments and distributions to which that Holder is then entitled under the Plan. Notwithstanding the foregoing, any Holder of both an Allowed Claim and a Disputed Claim in the same Class of Claims will not receive payment or distribution in satisfaction of any such Allowed Claim, except as otherwise agreed by the Reorganized Debtors in their discretion or ordered by the Bankruptcy Court, until all such Disputed Claims are resolved by settlement or Final Order. In the event that there are Claims that require adjudication or other resolution, the Debtors and Reorganized Debtors reserve the right to, or shall upon an order of the Bankruptcy Court, establish appropriate reserves for potential payment of any such Claims.

B. Claims Allowance

Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), no Claim shall be deemed Allowed unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code or the Bankruptcy Court has entered a Final Order (including the Confirmation Order) in the Chapter 11 Cases allowing such Claim. Except as expressly provided in the Plan or any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), the Reorganized Debtors will have and shall retain after the Effective Date any and all rights and defenses that the Debtors had with respect to any Claim as of the Petition Date. All Claims of any Person or Entity subject to section 502(d) of the Bankruptcy Code shall be deemed disallowed as of the Effective Date unless and until such Person or Entity pays in full the amount that it owes such Debtor or Reorganized Debtor, as the case may be.

C. Controversy Concerning Impairment

If a controversy arises as to whether any Claims or any Class of Claims are Impaired under the Plan, the Bankruptcy Court shall, after notice and a hearing, determine any such controversy before the Confirmation Date.

D. Allowed Claims

Upon entry of the Confirmation Order, the DIP Facility Claims, First Lien Claims, Second Lien Claims and Claims of Specified OEMs shall be deemed Allowed Claims under the Plan.

XII.

CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

A. Conditions Precedent to Confirmation

It shall be a condition to Confirmation of the Plan that: (a) all provisions, terms and conditions of the Plan are approved in the Confirmation Order; (b) the Confirmation Order is entered no later than October 6, 2009 or such later date to which the Requisite Supporting First Lien Term Loan Lenders have consented in writing after consultation with the Second Lien Lenders; and (c) the Plan, the proposed Confirmation Order and all of the Plan Documents are in form and substance acceptable to the (1) Debtors; (2) the Requisite Supporting First Lien Term Loan Lenders; and (3) the Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification.

B. Conditions Precedent to Consummation

The Consummation of the Plan will not occur unless and until each of the following conditions has occurred or will occur contemporaneously with the Consummation of the Plan, or waived pursuant to the provisions of Article IX.C. of the Plan:

1. the Confirmation Order shall have been entered, shall have become a Final Order, shall be in full force and effect, and shall be in form and substance acceptable to the: (a) Debtors; (b) Requisite Supporting First Lien Term Loan Lenders; and (c) Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification;

2. the Debtors and the Reorganized Debtors are authorized and directed to take all actions necessary or appropriate to enter into, implement and consummate the contracts, instruments, releases, leases, indentures and other agreements or documents created in connection with or described in the Plan;

3. the provisions of the Confirmation Order are non-severable and mutually dependent;

4. all actions, documents and agreements necessary to implement the Plan and the transactions contemplated by the Plan shall have been executed or become effective, in form and substance satisfactory to: (a) the Requisite Supporting First Lien Term Loan Lenders; and (b) the Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification;

5. Reorganized J.L. French Automotive Castings, Inc. is authorized and directed to issue the New Common Stock and the Class 4 Warrants;

6. the OEM Consensually Modified Agreements shall have been executed and be in full force and effect;

7. the New Common Stock and Warrants to be issued under the Plan shall have been duly authorized and, upon issuance, shall be validly issued and outstanding;

8. any alteration of any term or provision of the Plan by the Bankruptcy Court shall be acceptable to the (i) Debtors; (ii) Requisite Supporting First Lien Term Loan Lenders; and (iii) Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification;

9. the Stockholders' Agreement and the Warrant Agreements shall have been approved by the Requisite Supporting Second Lien Lenders and shall have been executed or become effective;

10. all fees, costs and expenses required to be paid under the DIP Facility, the First Lien Pledge and Security Agreement or the Plan, including without limitation, those of the DIP Agent incurred under the DIP Facility and the First Lien Term Agent incurred under the First Lien Pledge and Security Agreement, shall have been paid;

11. all fees, costs and expenses required to be paid under the Second Lien Pledge and Security Agreement, including without limitation, those of the Second Lien Term Agent shall have been paid, *provided that* Second Lien Professional Fees are subject to the Second Lien Fee Cap;

12. either (a) the Third Party Exit Credit Documents shall have been executed and delivered and all conditions precedent thereto shall have been satisfied or (ii) the DIP Facility Exit Credit Documents in the form approved by the DIP Agent and the requisite threshold of the DIP Lenders (as set forth in the DIP Facility Exit Credit Documents) and the Debtors, shall have been executed and delivered and all conditions precedent thereto shall have been satisfied;

13. all documents and agreements necessary to implement the Plan shall have been, as applicable to each such document and agreement: (a) tendered for delivery; (b) all conditions precedent thereto shall have been satisfied; and (c) shall have been effected or executed; which documents and agreements shall include, but not be limited to:

(a) the New Organizational Documents and all documents provided for therein or contemplated thereby; and

(b) the Management Incentive Program, if approved and authorized by the New Board;

14. The New Board shall have been appointed; and

15. The articles of incorporation and/or certificates of formation of the Reorganized Debtors shall have been filed with the applicable authority of their respective jurisdiction of incorporation and/or formation in accordance with such jurisdiction's applicable laws.

C. Waiver of Conditions

The Debtors may, in their discretion, at any time, waive any of the conditions to Confirmation of the Plan and to Consummation of the Plan set forth in Article IX of the Plan without notice, leave or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate the Plan; *provided, however*, that the Debtors may not waive any of the conditions to Confirmation of the Plan and to Consummation of the Plan set forth in Article IX of the Plan without the prior written consent of the: (A) Requisite Supporting First Lien Term Loan Lenders; and (B) Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification.

D. Effect of Non-Occurrence of Conditions to Consummation

Unless extended by the mutual agreement of the Debtors and the Requisite Supporting First Lien Term Loan Lenders, in the event the conditions specified in Article IX.B. of the Plan have not been satisfied or waived in accordance with Article IX of the Plan by October 23, 2009: (i) the Confirmation Order will be vacated; (ii) no distributions under the Plan will be made; (iii) the Debtors and all holders of Claims and Equity Interests will be restored to the *status quo ante* as of the day immediately preceding the Confirmation Date as though the Confirmation Date had never occurred; and (iv) all the Debtors' obligations with respect to the Claims and Equity Interests will remain unchanged and nothing contained in the Plan will be deemed to constitute a waiver or release of any Claims or claims by or against the Debtors or any other entity or to prejudice in any manner the rights of the Debtors or any other Entity in any proceedings further involving the Debtors.

XIII.

RELEASE, INJUNCTIVE AND RELATED PROVISIONS

A. Compromise and Settlement

The allowance, classification and treatment of all Allowed Claims and Equity Interests under the Plan take into account and conform to the relative priority and rights of the Claims and Equity Interests in each Class in connection with any contractual, legal and equitable rights relating thereto. In addition, the allowance, classification and treatment of Allowed Claims take into account any Causes of Action, Claims or counterclaims, whether under the Bankruptcy Code or otherwise under applicable law, that may exist: (a) between the Debtors, on the one hand, and the Releasing Parties, on the other; and (b) as between the Releasing Parties. As of the Effective Date, any and all such Causes of Action, Claims and counterclaims referenced in (a) and (b) in the immediately preceding sentence are settled, compromised and released pursuant to the Plan. The Confirmation Order shall approve all such releases of Causes of Action, Claims and counterclaims against each such Releasing Party that are satisfied, compromised and settled pursuant to the Plan. Nothing in Article X.A. of the Plan, however, shall compromise or settle in any way whatsoever any Causes of Action that the Debtors or the Reorganized Debtors may have against the Non-Released Parties.

B. Releases by the Debtors

On the Effective Date and effective as of the Effective Date, for the good and valuable consideration provided by each of the Debtor Releasees, including, but not limited to (a) the discharge of debt and all other good and valuable consideration paid pursuant to the Plan or otherwise and (b) the services of the Debtors' present and

former officers and directors in facilitating the expeditious implementation of the restructuring contemplated by the Plan, and in view of the indemnification pursuant to Article X.E. of the Plan of the Debtors' former officers and directors as Indemnified Parties, each of the Debtors shall provide a full discharge and release to the Debtor Releasees (and each such Debtor Releasee so released shall be deemed released and discharged by the Debtors) and each such Debtor Releasee's respective properties from any and all claims, Causes of Action and any other debts, obligations, rights, suits, damages, actions, Causes of Action, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing as of the Effective Date or thereafter arising, in law, at equity, whether for tort, fraud, contract, violations of federal or state securities laws, or otherwise, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way to the Debtors, including, without limitation, those that any of the Debtors or the Reorganized Debtors would have been legally entitled to assert (whether individually or collectively) or that any Holder of a Claim or Equity Interest or other Person or Entity would have been legally entitled to assert for or on behalf of any of the Debtors or any of their Estates and further including those in any way related to the Chapter 11 Cases or the Plan; *provided*, *however*, that the foregoing Debtor Release shall not operate to waive or release any Causes of Action expressly set forth in and preserved by the Plan or Plan Supplement; and *provided, further, however,* that the foregoing Debtor Release shall not operate to waive or release the Debtors or the Reorganized Debtors from their obligations under the Plan or the Confirmation Order.

Notwithstanding anything contained in the Plan to the contrary, the Debtors shall not have released nor be deemed to have released by operation of Article X.B. of the Plan or otherwise any claims or Causes of Action that they or the Reorganized Debtors may have now or in the future against the Non-Released Parties.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Fed.R.Bankr.P. 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in the Plan, *and further*, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (a) in exchange for good and valuable consideration provided by the Debtor Releasees, representing good faith settlement and compromise of the claims released by the Debtor Release; (b) in the best interests of the Debtors and all Holders of Claims; (c) fair, equitable, and reasonable; (d) approved after due notice and opportunity for hearing; and (e) a bar to the Debtors or Reorganized Debtors asserting any Claim released by the Debtor Release against any of the Debtor Releasees or their respective property.

C. Third Party Release

On the Effective Date and effective as of the Effective Date, the Releasing Parties shall provide a full discharge and release (and each Person or Entity so released shall be deemed released by the Releasing Parties) to the Third Party Releasees and their respective property from any and all Claims, Causes of Action and any other debts, obligations, rights, suits, damages, actions, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing as of the Effective Date or thereafter arising, in law, at equity, whether for tort, fraud, contract, violations of federal or state securities laws, or otherwise, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way to the Debtors, including those in any way related to the Chapter 11 Cases or the Plan; *provided*, *however*, that the foregoing Third Party Release shall not operate to waive or release any of the Third Party Releasees from any Causes of Action expressly set forth in and preserved by the Plan or Plan Supplement; and *provided, further, however,* that the foregoing Third Party Release shall not operate to waive or release the Debtors or the Reorganized Debtors from their obligations under the Plan or the Confirmation Order.

The Third Party Release shall have no effect on the Claims of Third Party Releasees treated under the Plan, to the extent of allowance of Claims and satisfaction of Claims pursuant to the Plan.

Notwithstanding anything contained in the Plan to the contrary, the Releasing Parties shall not have released nor deemed to have released by operation of Article X.C of the Plan or otherwise any claims or Causes of Action that they, the Debtors or the Reorganized Debtors may have now or in the future against the Non-Released Parties.

Notwithstanding anything contained in the Plan to the contrary, none of the First Lien Agents and Second Lien Agents or their respective predecessors in interest shall be deemed to have waived any exculpatory protections

or any rights to indemnification or reimbursement from any First Lien Lenders or Second Lien Lenders, in each case to the extent provided in the First Lien Documents or Second Lien Documents, as the case may be.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval pursuant to Fed.R.Bankr.P. 9019 of the Third Party Release, which includes by reference each of the related provisions and definitions contained in the Plan, *and further*, shall constitute the Bankruptcy Court's finding that the Third Party Release is: (a) in exchange for good and valuable consideration provided by the Third Party Releasees, representing good faith settlement and compromise of the claims released by the Third Party Release; (b) in the best interests of the Debtors and all Holders of Claims; (c) fair, equitable, and reasonable; (d) approved after due notice and opportunity for hearing; and (e) a bar to any of the Releasing Parties asserting any claim released by the Third Party Release against any of the Third Party Releasees or their property.

D. Exculpation

The Exculpated Parties shall neither have nor incur any liability to any Person or Entity for any prepetition or postpetition act taken or omitted to be taken in connection with or related to formulating, negotiating, preparing, disseminating, implementing, administering the Plan or otherwise, the Plan Documents, the Plan Supplement, the Disclosure Statement, the New Organizational Documents or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan, or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors or confirming or consummating the Plan; *provided*, *however*, that the foregoing provisions of Article X.D of the Plan shall have no effect on the liability of any Person or Entity that results from any such act or omission that is determined in a Final Order to have constituted gross negligence or willful misconduct; *provided*, *further*, that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning its duties pursuant to, or in connection with, the above referenced documents; *provided still further*, that the foregoing Exculpation shall not apply to any Causes of Action expressly preserved by the Plan or Plan Supplement.

Notwithstanding anything contained in the Plan to the contrary, the Exculpated Parties shall not include the Non-Released Parties, and the Plan shall not exculpate nor be deemed to have exculpated any of the Non-Released Parties for any acts they have taken, whether in contemplation of the restructuring of the Debtors, in confirming or consummating the Plan, or otherwise.

E. Indemnification

On the Effective Date, and effective as of the Effective Date, the Reorganized Debtors shall jointly and severally indemnify and hold harmless, except as otherwise provided in the Plan or Plan Supplement, each of the Indemnified Parties for all costs, expenses, loss, damage or liability incurred by any such parties arising from or related in any way to any and all Claims, Causes of Action and any other debts, obligations, rights, suits, damages, actions, Causes of Action, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing as of the Effective Date or thereafter arising, in law, at equity, whether for tort, fraud, contract, violations of federal or state securities laws, or otherwise, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way to the Debtors, including, without limitation, those arising from or related in any way to: (a) any acquisition by any such party of any indebtedness of the Debtors; (b) any action or omission of any such party with respect to any such indebtedness of the Debtors (including without limitation any action or omission of any such party with respect to the acquisition, holding, voting or disposition of any such investment); (c) any action or omission of any such party in such party's capacity as an officer, director, employee or agent of, or advisor to any Debtor; (d) any disclosure made or not made by any Person or Entity to any current or former Holder of any such indebtedness of the Debtors; (e) any consideration paid to any such party by any of the Debtors in respect of any investment by any such party in any indebtedness of the Debtors or in respect of any services provided by any such party to any Debtor; and (f) any action taken or not taken in connection with the New Organizational Documents, the Chapter 11 Cases, or the Plan. In the event that any such party becomes involved in any action, proceeding or investigation brought by or against any Person or Entity, as a result of matters to which the foregoing indemnity may relate, the Reorganized Debtors will promptly reimburse any such party for its reasonable legal and other expenses (including the cost of any investigation and preparation) incurred in connection therewith as such expenses are incurred and after a request for indemnification is made in writing, with reasonable documentation in support thereof; *provided*, *however*, that, notwithstanding anything in the Plan to the contrary, the Plan shall not indemnify nor be deemed to

have indemnified (i) any of the Non-Released Parties or (ii) any Person or Entity for any act that results from any such act or omission that is determined in a Final Order to have constituted gross negligence or willful misconduct.

F. Deemed Consent

By voting to accept the Plan or accepting any distribution directly under the Plan, each holder of a Claim will be deemed to the fullest extent permitted by applicable law to have specifically consented to the releases, injunctions and exculpations set forth in Article X of the Plan.

G. No Waiver

The releases and discharges of claims and parties, the compromises and settlements, and the exculpations and indemnifications set forth in the Plan do not limit, abridge, or otherwise affect the rights of the Reorganized Debtors to enforce, sue on, settle, or compromise the rights, claims and other matters retained by the Reorganized Debtors pursuant to the Plan.

H. Preservation of Rights of Action; Reservation of Rights

1. Maintenance of Causes of Action

Except as otherwise provided pursuant to the Plan or the Confirmation Order, or any other order of the Bankruptcy Court, or in any contract, instrument, release, indenture or other agreement entered into in connection with the Plan, and except with respect to the Third Party Releasees, in accordance with section 1123(b) of the Bankruptcy Code, the Reorganized Debtors will reserve and retain and may enforce, sue on, settle, compromise, transfer or assign (or decline to do any of the foregoing) all rights, claims, causes of action, rights of set off, suits, proceedings or other legal or equitable defenses accruing to the Debtors or their estates pursuant to the Bankruptcy Code or pursuant to any statute or legal theory, including without limitation, any avoidance or recovery actions and, to the extent permissible under applicable non-bankruptcy law, any suits or proceedings for recovery under any policies of insurance issued to or on behalf of the Debtors or any judgment obtained on behalf of any of the Debtors. Except as otherwise expressly set forth in the Plan (including the limitation on the reservation of avoidance and recovery actions set forth in the immediately preceding sentence), nothing contained in the Plan or the Confirmation Order will be deemed to be a waiver or the relinquishment of any right or Causes of Action that the Debtors or the Reorganized Debtors may have or which the Debtors or the Reorganized Debtors may choose to assert on behalf of their respective estates under any provision of the Bankruptcy Code or any applicable non-bankruptcy law, including without limitation, (i) any and all Claims against any Person, to the extent such Person asserts a cross-claim, counterclaim and/or Claim for setoff which seeks affirmative relief against any of the Debtors, the Reorganized Debtors, their officers, directors or representatives and (ii) the turnover of any property of any of the Debtors' or the Reorganized Debtors' estates. The Plan provides that the Reorganized Debtors will be deemed the appointed representative to, and may pursue, litigate, compromise, settle, transfer or assign any such rights, claims, causes of action, suits or proceedings as appropriate, in accordance with the best interests of the Debtors, their Estates or the Reorganized Debtors or their respective successors who hold such rights.

Except as otherwise provided in the Plan or Confirmation Order, in accordance with section 1123(b)(3) of the Bankruptcy Code, any rights or Causes of Action that the Debtors may hold against any Entity shall vest upon the Effective Date in the Reorganized Debtors. The Reorganized Debtors, through their authorized agents and representatives, shall retain and may exclusively enforce any and all such rights and Causes of Action. After the Effective Date, upon the consent of the Requisite Supporting First Lien Term Loan Lenders the Reorganized Debtors shall have the exclusive right, authority, and discretion to institute, prosecute, abandon, settle, or compromise any and all such rights and Causes of Action, without the consent or approval of any third party and without any further order of the Bankruptcy Court.

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

Unless a Claim or Cause of Action against a Holder or other Person or Entity is expressly waived, relinquished, released, compromised or settled in the Plan or any Final Order (including the Confirmation Order), the Debtors expressly reserve such Claim or Cause of Action for later prosecution by the Debtors or the Reorganized Debtors (including, without limitation, claims and Causes of Action not specifically identified or of which the

Debtors may presently be unaware or which may arise or exist by reason of additional facts or circumstances unknown to the Debtors at this time or facts or circumstances which may change or be different from those the Debtors now believe to exist) and, therefore, no preclusion doctrine, including, without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches shall apply to such claims or Causes of Action upon or after the Confirmation or Consummation of the Plan based on the Disclosure Statement, the Plan or the Confirmation Order, except where such claims or Causes of Action have been released in the Plan (including, without limitation, and for the avoidance of doubt, the Debtor Release contained in Article X.B of the Plan) or any other Final Order (including the Confirmation Order). In addition, the Debtors and Reorganized Debtors expressly reserve the right to pursue or adopt any claims alleged in any lawsuit in which the Debtors are a defendant or an interested party, against any Person or Entity, including, without limitation, the plaintiffs or co defendants in such lawsuits.

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

I. Discharge of Claims and Termination of Equity Interests

Irrespective of any prior orders of this or any other court of competent jurisdiction, on the Effective Date, and effective as of the Effective Date: (a) the rights afforded in the Plan and the treatment of all Claims and Equity Interests therein shall be in exchange for and in complete satisfaction, discharge and release of all Claims and Equity Interests of any nature whatsoever, including any interest accrued on such Claims from and after the Petition Date, against the Debtors and Debtors-in-Possession, or any of their assets, property or Estates; (b) the Plan shall bind all Holders of Claims and Equity Interests, regardless of whether any such Holders failed to vote to accept or reject the Plan or voted to reject the Plan; and (c) all Claims against and Equity Interests in the Debtors and Debtors-in-Possession shall be satisfied, discharged and released in full, and the Debtors' liability with respect thereto shall be extinguished completely, provided, however, that nothing in this Plan shall (a) discharge any environmental liabilities of the Debtors, or Reorganized Debtors, as the case may be, first arising on or after the Confirmation Date or that is not otherwise a claim within the meaning of section 101(5) of the Bankruptcy Code or preclude a governmental entity from asserting any such liabilities against the Reorganized Debtors, (b) discharge any liability to a governmental entity under applicable environmental laws that a Reorganized Debtor or any other Person or Entity may have as the owner or operator of real property on and after the Confirmation Date, (c) discharge any environmental liability to the United States on the part of any Persons other than the Debtors and Reorganized Debtors, or (d) waive or release any claims or defenses of the Debtors or Reorganized Debtors with respect to any of the foregoing under applicable non-bankruptcy law.

J. Injunction

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

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

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

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

(c) creating, perfecting, or enforcing any encumbrance of any kind against any Debtor or any Reorganized Debtor or the property or estate of any Debtor or any Reorganized Debtor; or

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

For the avoidance of doubt, nothing in the Plan, the Plan Supplement or the Confirmation Order is intended, or shall, enjoin or otherwise prohibit or limit any Specified OEM from enforcing in this or in any other court of competent jurisdiction any rights under any purchase order or other agreement to which it is a party.

XIV.

RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall, after the Effective Date, retain such jurisdiction over the Chapter 11 Cases and all Persons and Entities with respect to all matters related to the Chapter 11 Cases, the Debtors and the Plan as legally permissible, including, but not limited to, jurisdiction to:

1. To hear and determine all matters with respect to the assumption or rejection of executory contracts, resolution of disputes pertaining to cure payment amounts and the allowance of the Claims resulting therefrom;

2. To hear and determine any application to modify the Plan in accordance with section 1127 of the Bankruptcy Code, to remedy any defect or omission or reconcile any inconsistency in the Plan or any order of the Bankruptcy Court, including the Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;

3. To hear and determine any application under sections 327, 328, 330, 331, 503(b), 1103 or 1129(a)(4) of the Bankruptcy Code for awards of compensation for services rendered and reimbursement of expenses incurred by professionals prior to the Effective Date, provided, however, that from and after the Effective Date, the payment of fees and expenses incurred from and after the Effective Date of the retained professionals of the Reorganized Debtors shall be made in the ordinary course of business and shall not be subject to the approval of the Bankruptcy Court;

4. To hear and determine any dispute or reconcile any inconsistency arising in connection with the Plan, any of the Plan Documents or the Confirmation Order or the interpretation, implementation or enforcement of the Plan, any of the Plan Documents, the Confirmation Order, any transaction or payment contemplated hereby or any agreement, instrument or other document governing or relating to any of the foregoing;

5. To hear and determine any matter concerning state, local and federal taxes in accordance with

sections 346, 505 and 1146 of the Bankruptcy Code;

6. To hear and determine any other matters related to the Plan and not inconsistent with the Bankruptcy Code and Title 28 of the United States Code;

7. To hear and determine any rights, claims or causes of action held by or accruing to the Debtors or the Reorganized Debtors pursuant to the Bankruptcy Code;

8. To hear and determine any dispute arising out of, and to enforce, the order approving alternative dispute resolution procedures to resolve personal injury, employment litigation and similar claims pursuant to section 105(a) of the Bankruptcy Code;

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

10. To take any action, and issue such orders as may be necessary or appropriate, to construe, enforce, implement, execute and consummate the Plan or to maintain the integrity of the Plan following consummation;

11. To take any action to ensure that all distributions are accomplished as provided in the Plan;

12. To allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim, Administrative Claim or Equity Interest;

13. To decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving a Debtor that may be pending on the Effective Date or instituted by the Reorganized Debtors after the Effective Date, provided, however, that the Reorganized Debtors shall reserve the right to commence actions in all appropriate jurisdictions;

14. To enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan, the New Organizational Documents and all other contracts, instruments, releases, indentures and other agreements or documents adopted in connection with the Plan, Plan Supplement or the Disclosure Statement;

15. To resolve any cases, controversies, suits or disputes that may arise in connection with the Consummation, interpretation or enforcement of the Plan or any Person's or Entity's obligations incurred in connection with the Plan;

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

17. To enter, implement or enforce such orders as may be necessary or appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, modified or vacated;

18. To take any action to recover all assets of the Debtors and property of the Debtors' estates wherever located;

19. To enter a final decree closing the Debtors' Chapter 11 Cases;

20. To hear and determine any motion, adversary proceeding, application, contested matter and other litigated matter pending on or commenced after the Confirmation Date;

21. To enforce all orders, judgments, injunctions, releases, exculpations, indemnifications, and rulings entered in connection with the Debtors' Chapter 11 Cases with respect to any Person;

22. To hear and determine all disputes involving the existence, nature or scope of the Debtors' discharge; and

23. To hear and determine any other matter that may arise in connection with or is related to the Plan, the Disclosure Statement, the Confirmation Order, any of the Plan Documents or any other contract, instrument, release or other agreement or document related to the Plan or the Disclosure Statement.

XV.

MISCELLANEOUS PROVISIONS

A. Definition of "Adverse or Disproportionate Effect or Modification"

For the purposes of the Plan, all references to the phrase "Adverse or Disproportionate Effect or Modification" means:

(a) with respect to the requirement that the written consent of the Requisite Supporting Second Lien Lenders be obtained, written consent is required if the referenced document or Plan or Confirmation Order provision, including any releases, (i) adversely modifies the treatment of the Second Lien Claims from the treatment set forth in the Initial Plan, or (ii) has a disproportionate adverse effect on the holders of Second Lien Claims vis-à-vis the holders of First Lien Claims in their respective capacities as such (other than the Stockholders' Agreement and the Warrant Agreements, which shall be satisfactory to the Requisite Supporting Second Lien Lenders in all respects), provided however that no amendment, modification or supplement to the Plan shall be deemed to adversely modify or alter the treatment of the Second Lien Claims so long as such amendment, modification or supplement does not modify the percentage of, or the terms of, the New Common Stock and Warrants (and the New Common Stock issued upon exercise thereof) to be issued to the holders of Second Lien Claims under the Plan (it being understood that any modification that results in the First Lien Term Lenders, but not the Second Lien Lenders, receiving debt claims against the Reorganized Debtors on account of their First Lien Term Claims would have a disproportionate adverse effect on holders of Second Lien Claims vis-à-vis the holders of First Lien Claims); and

(b) with respect to the requirement that the written consent of the First Lien Revolving Lender be obtained, written consent is required if the referenced document or Plan or Confirmation Order provision, including any releases: (i) adversely modifies the treatment of the First Lien Revolving Claims from the treatment set forth in the Initial Plan; (ii) has a disproportionate adverse effect on the holders of the First Lien Revolving Claims vis-à-vis the holders of First Lien Term Claims in their respective capacities as such (it being understood that any modification that results in the First Lien Term Lenders receiving (x) debt claims against the Reorganized Debtors on account of their First Lien Term Claims or (y) equity interests in the Reorganized Debtors on account of their First Lien Term Claims, which equity interests require any payment of cash prior to payment in full of the CapitalSource Exit Secured Note, would have a disproportionate adverse effect on the holders of First Lien Revolving Claims vis-à-vis the holders of First Lien Term Claims); or (iii) has a disproportionate adverse effect on the holders of First Lien Revolving Claims vis-à-vis the holders of Second Lien Claims (including, without limitation, any difference in the terms of the releases in such plan that has a disproportionate adverse effect on holders of First Lien Revolving Claims vis-à-vis the holders of Second Lien Claims (as compared to the Initial Plan).

B. Effectuating Documents, Further Transactions and Corporate Action

The Debtors and the Reorganized Debtors are authorized to execute, deliver, file or record such contracts, instruments, 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, the Plan Documents and the securities issued pursuant to the Plan.

Prior to, on or after the Effective Date (as appropriate), all matters provided for under the Plan that would otherwise require approval of the shareholders or directors of the Debtors or the Reorganized Debtors shall be deemed to have been so approved and shall be in effect prior to, on or after the Effective Date (as appropriate) pursuant to the applicable general corporation law of the state of Delaware without any requirement of further action by the shareholders, directors, managers or partners of the Debtors or the Reorganized Debtors.

C. Payment of Statutory Fees

On the Effective Date, and thereafter as may be required, the Reorganized Debtors shall pay all fees required to be paid pursuant to § 1930 of title 28 of the United States Code. The Reorganized Debtors shall continue to file all required reports and pay all fees required to be paid pursuant to 28 U.S.C. § 1930 for each chapter 11 entity until the cases are closed, converted or dismissed.

D. Professional Fee Claims

All final requests for Professional Fee Claims must be filed with the Court not later than forty-five (45) days after the Effective Date. Objections to the applications of such professionals or other entities for compensation or reimbursement of expenses must be filed and served on the Debtors and their counsel and the requesting professional or other entity not later than two (2) weeks prior to the hearing date of the applications.

E. Modification of Plan

Subject to the limitations contained in the Plan and Consent Agreement: (a) the Debtors reserve the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules, to amend or modify the Plan prior to the entry of the Confirmation Order; and (b) after the entry of the Confirmation Order, the Debtors or the Reorganized Debtors, as the case may be, may, upon order of the Bankruptcy Court, amend or modify the Plan, in accordance with section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan; *provided*, *however*, any amendment or modification contemplated by either clause (a) or clause (b) above will require the prior written consent of the: (a) Requisite Supporting First Lien Term Loan Lenders; and (b) Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification.

F. Corrective Action

Other than as set forth in Section E of Article XV immediately above, prior to the Effective Date, upon the prior written consent of the Requisite Supporting First Lien Term Loan Lenders, the Debtors may make appropriate technical adjustments and modifications to the Plan without further order or approval of the Bankruptcy Court; provided that such technical adjustments and modifications do not adversely affect in a material way the treatment of holders of Claims and Equity Interests.

G. Revocation of Plan

Subject to the limitations contained in the Consent Agreement and obtaining the written consent of the Requisite Supporting First Lien Term Loan Lenders after consultation with the Requisite Supporting Second Lien Lenders, the Debtors reserve the right to revoke or withdraw the Plan prior to the Confirmation Date and to file subsequent plans of reorganization. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then: (a) the Plan and the Consent Agreement shall be null and void in all respects; (b) any settlement or compromise embodied in the Plan, assumption or rejection of executory contracts or leases effected by the Plan, and any document or agreement executed pursuant 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 Equity Interests in, such Debtor or any other Person or Entity; (ii) prejudice in any manner the rights of the Debtors or any other Person or Entity; or (iii) constitute an admission of any sort by the Debtors or any other Person or Entity.

H. Substantial Consummation

On the Effective Date, the Plan shall be deemed to be substantially consummated under sections 1101 and 1127(b) of the Bankruptcy Code.

I. Successors and Assigns

The rights, benefits and obligations of any Person or 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 Person or Entity.

J. Reservation of Rights

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

K. Section 1145 Exemption

The Distribution Shares and the Warrants (and the New Common Stock issued upon exercise thereof), each as issued pursuant to the Plan, are exempt from registration under the Securities Act to the maximum extent permitted by section 1145 of the Bankruptcy Code and other applicable law.

Any shares of New Common Stock issued pursuant to the Management Incentive Program will be exempt from registration under the Securities Act by virtue of Section 4(2) thereof or Regulation D promulgated thereunder.

L. Section 1146 Exemption

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

M. Further Assurances

The Debtors, Reorganized Debtors, all Holders of Claims receiving distributions under the Plan and all other parties in interest shall, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan or the Confirmation Order.

XVI.

SUMMARY OF SECURITIES TO BE ISSUED IN CONNECTION WITH THE PLAN

This section sets forth a summary of the material terms of the new securities to be issued as contemplated by the Plan. These descriptions are summaries only and Holders are urged to review the documents contained in the Plan Supplement.

1. New Common Stock

The principal terms of the New Common Stock to be issued by Reorganized J.L. French Automotive Castings, Inc. under the Plan are as follows:

Authorization:	1.75 million shares
Total issued:	Approximately one million shares as of the Effective Date
Par Value:	$0.01 per share
Voting Rights:	One vote per share
Preemptive Rights:	On all issuances of equity securities, whether to existing security holders or third parties; *provided, however*, that preemptive rights shall not apply to (i) any issuances of equity securities, approved by the New Board, to management, other employees and non-affiliate consultants of the Reorganized J.L. French Automotive Castings, Inc., such grants in the aggregate not to exceed 10% of the outstanding common stock of the Reorganized J.L. French Automotive Castings, Inc. as of the date of the Stockholders' Agreement; (ii) any subdivision or combination of shares of the common stock of the Reorganized J.L. French Automotive Castings, Inc. (the "Common Stock") or similar transactions by the Reorganized J.L. French Automotive Castings, Inc.; (iii) in connection with the acquisition, merger of, or merger with, another company or business or any other strategic transaction involving the Reorganized J.L. French Automotive Castings, Inc. that is not effected primarily for financing purposes; (iv) an initial public offering by the Reorganized J.L. French Automotive Castings, Inc.; or (v) issued or issuable pursuant to the exercise of any rights or agreements, options, warrants or convertible securities outstanding as of the date of the Stockholders' Agreement or issued or issuable pursuant to the exercise of any such rights or agreements granted after the date of the Stockholders' Agreement (so long as the preemptive rights set forth in Article VIII of the Stockholders' Agreement were complied with as to the initial sale or grant by the Reorganized J.L. French Automotive Castings, Inc. of such rights or agreements). In the event that a First Lien Term Lender (as defined in the Stockholders' Agreement), or an affiliate of a First Lien Term Lender, that has designated a director on the board of directors of the Reorganized J.L. French Automotive Castings, Inc. pursuant to Section 2.1(c) of the Stockholders' Agreement extends debt to the Reorganized J.L. French Automotive Castings, Inc., then each stockholder of the Reorganized J.L. French Automotive Castings, Inc. who was a First Lien Term Lender shall have the right, within a period of time as specified in Section 10.1(l) of the Stockholders' Agreement, to extend its pro rata share of such indebtedness based upon a ratio of the relative number of shares of Common Stock then held (on an unconverted basis) by such stockholder to the total number of shares then outstanding of Common Stock immediately prior to the extension of indebtedness to the Reorganized J.L. French Automotive Castings, Inc.
Dividends:	No regularly scheduled dividends

The New Organizational Documents, which are attached to the Plan or Plan Supplement, will contain all corporate documents necessary to effectuate the issuance of the New Common Stock.

2. Warrants

The terms of the Warrants to be issued by Reorganized J.L. French Automotive Castings, Inc. under the Plan shall be documented in the Warrant Agreement, which shall be attached to the Plan or Plan Supplement. The Warrant Agreement may contain provisions limiting the transfer of Warrants to ensure that the record number of holders of Warrants will not cause Reorganized J.L. French Automotive Castings, Inc. to be required to file periodic and other reports under the Securities Exchange Act of 1934.

Series A Warrants:

Warrants Issued:	5% of the number of shares of Initial New Common Stock
Strike Price:	$160 million enterprise value
Exercise Period:	Five years from the issuance date

Series B Warrants:

Warrants Issued:	5% of the number of shares of Initial New Common Stock
Strike Price:	$180 million enterprise value
Exercise Period:	Five years from the issuance date

Series C Warrants:

Warrants Issued:	5% of the number of shares of Initial New Common Stock
Strike Price:	$275 million enterprise value
Exercise Period:	Five years from the issuance date

XVII.

VOTING PROCEDURES

The following briefly summarizes procedures to accept and confirm the Plan. Holders of Claims are encouraged to review the relevant provisions of the Bankruptcy Code and/or to consult their own attorneys. The Notice accompanying this Disclosure Statement sets forth additional information regarding voting procedures.

A. THE SOLICITATION PACKAGE

Accompanying this Disclosure Statement are copies of:

- letters to the Holders in each of the Voting Classes urging them to vote to accept the Plan;
- the Plan;
- Confirmation Hearing Notice; and
- one or more Ballots and a return envelope, which are provided only to the Holders of Claims in Classes 3, 4 and 5, together with voting instructions.

The Solicitation Package is being distributed to the Holders of Allowed Classes 3, 4 and 5 Claims as of the Voting Record Date. The Solicitation Package materials may also be obtained by accessing the Debtors' website at www.bmcgroup.com/jlfrenchautomotivecastings or by requesting a copy from the Debtors' Voting Agent by writing to J.L. French Automotive Castings, Inc., c/o BMC Group, Inc., 444 N. Nash St., El Segundo, CA 90245 or calling (888)-909-0100.

B. VOTING INSTRUCTIONS

Only the Holders of Allowed Classes 3, 4 and 5 as of the Voting Record Date are entitled to vote to accept or reject the Plan, and Holders of Allowed Classes 3, 4 and 5 Claims may do so by completing the Ballot and returning it in the envelope provided to the Voting Agent by the Voting Deadline. Voting Instructions are attached to each Ballot.

The Debtors, with the approval of the Bankruptcy Court, have engaged BMC, 444 N. Nash St., El Segundo, CA 90245, www.bmcgroup.com, as the Voting Agent to assist in the solicitation process. The Voting Agent will, among other things, answer questions, provide additional copies of all Solicitation Package materials, and generally oversee the solicitation process. The Voting Agent will also process and tabulate Ballots for each Class entitled to vote to accept or reject the Plan and the Debtors will File the Voting Report no later than two (2) Business Days before the Confirmation Hearing.

The deadline to vote on the Plan is August 31, 2009, so that the Ballot is received by the Voting Agent by the Voting Deadline.

BALLOTS	
Ballots (or the Master Ballot of your Nominee Holder) must be actually received by the Voting Agent by the Voting Deadline at one of the following addresses:	
J.L. FRENCH AUTOMOTIVE CASTINGS, INC. c/o BMC Group Inc. PO Box 3020 Chanhassen, MN 53317-3020	If by first class mail
J.L. FRENCH AUTOMOTIVE CASTINGS, INC. c/o BMC Group Inc. 18750 Lake Drive East Chanhassen, MN 55317	If by overnight courier or personal delivery
If you have any questions on the procedures for voting on the Plan, please call the Voting Agent at the following telephone number: (888) 989-0100	

ANY BALLOT THAT IS PROPERLY EXECUTED BY THE HOLDER OF A CLAIM, BUT WHICH DOES NOT CLEARLY INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN OR WHICH INDICATES BOTH AN ACCEPTANCE AND A REJECTION OF THE PLAN, SHALL NOT BE COUNTED.

EACH HOLDER OF A CLAIM MAY CAST ONLY ONE BALLOT PER EACH SUCH CLAIM HELD. BY SIGNING AND RETURNING A BALLOT, EACH HOLDER OF A CLAIM IN CLASSES 3, 4 AND 5 WILL CERTIFY TO THE BANKRUPTCY COURT AND THE DEBTORS THAT NO OTHER BALLOTS WITH RESPECT TO SUCH CLAIM HAVE BEEN CAST OR, IF ANY OTHER BALLOTS HAVE BEEN CAST WITH RESPECT TO SUCH CLASS OF CLAIMS, SUCH EARLIER BALLOTS ARE THEREBY SUPERSEDED AND REVOKED.

ALL BALLOTS ARE ACCOMPANIED BY RETURN ENVELOPES. IT IS IMPORTANT TO FOLLOW THE SPECIFIC INSTRUCTIONS PROVIDED ON EACH BALLOT.

For all Holders:

By signing and returning a Ballot, each Holder of a Claim in Classes 3, 4 and 5 will also be certifying to the Bankruptcy Court and Debtors that, among other things,

- the Holder has received and reviewed a copy of the Disclosure Statement and related Ballot and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
- the Holder has cast the same vote on every Ballot completed by the Holder with respect to holdings of that Class of Claims;
- no other Ballots with respect to such Class of Claims have been cast or, if any other Ballots have been cast with respect to such Class of Claims, such earlier Ballots are thereby revoked;
- except for information provided by Debtors in writing, and by its own agents, such Holder has not relied on any statements made or other information received from any person with respect to the Plan.

By signing and returning a Ballot, each Holder of a Claim in Classes 3 and 4 also acknowledges that the New Common Stock issued under the Plan in exchange for Claims against the Debtors are exempt from registration to the full extent provided by the Securities Act and section 1145 of the Bankruptcy Code, except to the extent that recipients of the New Common Stock and/or Warrants are "underwriters," as that term is defined in section 1145 of the Bankruptcy Code. Shares of New Common Stock issued pursuant to the Management Incentive Program will be exempt from registration under the Securities Act by virtue of section 4(2) thereof or Regulation D promulgated thereunder. Those shares will not be exempted under section 1145 of the Bankruptcy Code.

C. VOTING TABULATION

To ensure that a vote is counted, the Holder of a Claim or Equity Interest should: (a) complete a Ballot; (b) indicate the Holder's decision to accept or reject the Plan in the boxes provided in the Ballot; and (c) sign and timely return the Ballot to the address set forth on the enclosed prepaid envelope by the Voting Deadline. A Holder with Claims in more than one Class may receive more than one Ballot and each such Ballot will be coded for the particular Class. The Ballot may not be used for any purpose other than to vote to accept or reject the Plan. Accordingly, at the time the Ballot is transmitted, Claimants should not surrender certificates, instruments, or other documents representing or evidencing their Claims.

The Ballot does not constitute, and shall not be deemed to be, a proof of claim or an assertion or admission of a Claim. Only the following Holders of is in Voting Classes shall be entitled to vote with regard to such Claims:

1. the Holders of Claims for which proofs of claim have been timely Filed, as reflected on the official claims register, as of the close of business on the Voting Record Date, with the exception of those Claims subject to a pending objection Filed before the Voting Deadline, unless such Claims are allowed for voting purposes; *provided*, *however*, to the extent that the Debtors have reached a settlement on a Claim for which a proof of claim has been timely Filed, the terms of such settlement shall govern for purposes of determining the Holder of the Claim and the amount of the Claim;

2. the Holders of scheduled Claims that are listed in the Debtors' Schedules, with the exception of those scheduled Claims that are listed as contingent, unliquidated or disputed Claims (excluding such scheduled Claims that have been superseded by a timely-Filed proof of claim); and

3. the Holders of Claims arising pursuant to an agreement or settlement with the Debtors executed prior to the close of business on the Voting Record Date, as reflected in a Bankruptcy Court pleading, stipulation, term sheet, agreement, or other document Filed with the Bankruptcy Court, in an order entered by the Bankruptcy Court, or in a document executed by the Debtors pursuant to authority granted by the Bankruptcy Court irregardless of whether a proof of claim has been Filed.

The assignee of a transferred and assigned Claim (whether a timely-filed or scheduled Claim) shall be permitted to vote such Claim only if the appropriate Transfer/Assignment Form has been noted on the Bankruptcy Court's docket as of the close of business on the Voting Record Date.

The Debtors and the Voting Agent shall exclusively rely on the information provided by the First Lien Agents and Second Lien Agents in mailing, or causing to be mailed, any documents or other materials to Holders of Allowed Class 3 Claims and Allowed Class 4 Claims.

In tabulating votes, the following hierarchy shall be used to determine the Claim amount associated with each creditor's vote:

1. The claim amount settled and/or agreed upon by the Debtors prior to the Voting Record Date, as reflected a Court pleading, stipulation, term sheet, agreement or other document filed with the Bankruptcy Court, in an order entered by the Bankruptcy Court, or in a document executed by the Debtors pursuant to authority granted by the Bankruptcy Court.

2. The claim amount allowed (temporarily or otherwise) pursuant to an order of the Bankruptcy Court;

3. The claim amount contained on a proof of claim that has been timely filed by the relevant Bar Date (or deemed timely filed by the Bankruptcy Court under applicable law), provided, however, that Ballots cast by creditors whose claims are not listed on the Debtors' Schedules, but who timely file proofs of claim in unliquidated or unknown amounts that are not the subject of an objection filed before the Voting Deadline, will count for satisfying the numerosity requirement of section 1126(c) of the Bankruptcy Code, and will count as Ballots for claims in the amount of $1.00 solely for the purposes of satisfying the dollar amount provisions of Section 1126(c) of the Bankruptcy Code; provided further, however, that to the extent the claim amount contained in the proof of claim is different from the claim amount set forth in a Court pleading, stipulation, term sheet, agreement, or other document filed with the Bankruptcy Court, the claim amount in the Court pleading, stipulation, term sheet, agreement, or other document filed with the Bankruptcy Court shall supersede the claim amount set forth on the respective proof of claim;

4. The claim amount listed in the Debtors' Schedules, provided that such claim is not scheduled as contingent, disputed or unliquidated; and

5. In the absence of any of the foregoing, zero.

Any claim amount established for voting purposes shall control for voting purposes only, and shall not constitute the Allowed amount of any Claim.

Ballots and Master Ballots received after the Voting Deadline in connection with the Debtors' request for Confirmation of the Plan may not be counted. The method of delivery of the Ballots to be sent to the Voting Agent is at the election and risk of each Holder of a Claim. A Ballot will be deemed delivered only when the Voting Agent actually receives the original executed Ballot (or Master Ballot). Instead of effecting delivery by mail, it is recommended, though not required, that the Holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery. Delivery of a Ballot by facsimile, e-mail or any other electronic means will not be accepted. No Ballot should be sent to any of the Debtors, any indenture trustee, or the Debtors' financial or legal advisors. Subject to the terms and conditions of the Consent Agreement and the Plan, the Debtors expressly reserve the right to amend, at any time and from time to time, the terms of the Plan (subject to compliance with the requirements of section 1127 of the Bankruptcy Code). If the Debtors make a material change in the terms of the Plan or if they waive a material condition thereto, the Debtors may disseminate additional solicitation materials and may extend the solicitation if and to the extent required by law.

If multiple Ballots are received from a Holder of an Allowed Claim with respect to the same Claim prior to the Voting Deadline, the last Ballot timely received will supersede and revoke any earlier received Ballot(s).

Creditors must vote all of their Allowed Claims within a particular Class either to accept or reject the Plan and may not split their vote.

A Person signing a Ballot in its capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of corporations, or otherwise acting in a fiduciary or representative capacity should indicate such capacity when signing and, unless otherwise determined by the Debtors, must submit proper evidence to so act on behalf of a Beneficial Holder.

In the event a designation is requested under section 1126(e) of the Bankruptcy Code, the Court will determine whether any vote to accept and/or reject the Plan cast with respect to that Claim will be counted for purposes of determining whether the Plan has been accepted and/or rejected.

Neither the Debtors nor any other Person or Entity will be under any duty to provide notification of defects or irregularities with respect to execution or deliveries of Ballots nor will any of them incur any liabilities for failure to provide such notification.

The Debtors will File with the Bankruptcy Court, not less than two (2) Business Days prior to the Confirmation Hearing, the Voting Report. The Voting Report shall, among other things, delineate every Ballot that does not conform to the Voting.

Instructions or that contains any form of irregularity (each an "Irregular Ballot") including, but not limited to, those Ballots that are late or (in whole or in material part) illegible, unidentifiable, lacking signatures or lacking necessary information, received via facsimile or electronic mail or damaged. The Voting Report also shall indicate the Debtors' intentions with regard to such Irregular Ballots.

XVIII.

FINANCIAL PROJECTIONS

Included in the Plan Supplement are financial projections (the "Projections") prepared by the Debtors management in consultation with their financial advisors. The financial projections show that: (a) the Debtors will have sufficient cash on hand on the Effective Date to make all payments required under the Plan on the Effective Date; (b) the Debtors will be able to pay their vendors and service providers in the ordinary course of business on agreed terms in the period immediately after the Effective Date and for the several years covered by the financial projections; and (c) that the Debtors will generate earnings sufficient to service the approximate $65 million of secured debt that they will be parties to on and after the Effective Date for the term of that debt. The Debtors believe that the Plan is feasible as required by Bankruptcy Code Section 1129(a)(11), and will ask the Court to so find in the Confirmation Order.

THE PROJECTIONS ARE BASED UPON A NUMBER OF SIGNIFICANT ASSUMPTIONS. ACTUAL OPERATING RESULTS AND VALUES MAY VARY SIGNIFICANTLY FROM THESE PROJECTIONS.

Financial Projections

As a condition to plan confirmation, the Bankruptcy Code requires, among other things, the Bankruptcy Court to find that confirmation is not likely to be followed by either a liquidation or the need to further reorganize the debtor. In connection with developing the Plan, and for purposes of determining whether the Plan satisfies feasibility standards, the Debtors' management has, through the development of the Projections, analyzed the Reorganized Debtors' ability to meet their obligations under the Plan to maintain sufficient liquidity and capital resources to conduct their businesses. The Projections will also assist each Holder of a Claim in determining whether to accept or reject the Plan.

The Debtors prepared the Projections in good faith, based upon estimates and assumptions made by the Debtors' management.

The estimates and assumptions in the Projections, while considered reasonable by management, may not be realized, and are inherently subject to uncertainties and contingencies. They also are based on factors such as industry performance, general business, economic, competitive, regulatory, market and financial conditions, all of which are difficult to predict and generally beyond the Debtors' control. Because future events and circumstances may well differ from those assumed and unanticipated events or circumstances may occur, the Debtors expect that the actual and projected results will differ and the actual results may be materially greater or less than those contained in the Projections. No representations can be made as to the accuracy of the Projections or the Reorganized Debtors' ability to achieve the projected results. Therefore, the Projections may not be relied upon as a guaranty or other assurance of the actual results that will occur. The inclusion of the Projections herein should not be regarded as an indication that the Debtors considered or consider the Projections to reliably predict future performance. The Projections are subjective in many respects, and thus are susceptible to interpretations and periodic revisions based on actual experience and recent developments. The Debtors do not intend to update or otherwise revise the Projections to reflect the occurrence of future events, even in the event that assumptions underlying the Projections are not borne out. The Projections should be read in conjunction with the assumptions and qualifications set forth herein.

THE DEBTORS DID NOT PREPARE THE PROJECTIONS WITH A VIEW TOWARDS COMPLYING WITH THE GUIDELINES FOR PROSPECTIVE FINANCIAL STATEMENTS PUBLISHED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS. THE DEBTORS' INDEPENDENT AUDITOR HAS NEITHER COMPILED NOR EXAMINED THE ACCOMPANYING PROSPECTIVE FINANCIAL INFORMATION TO DETERMINE THE REASONABLENESS THEREOF AND, ACCORDINGLY, HAS NOT EXPRESSED AN OPINION OR ANY OTHER FORM OF ASSURANCE WITH RESPECT THERETO.

THE DEBTORS DO NOT, AS A MATTER OF COURSE, PUBLISH PROJECTIONS OF THEIR ANTICIPATED FINANCIAL POSITION, RESULTS OF OPERATIONS OR CASH FLOWS. ACCORDINGLY, NEITHER THE DEBTORS NOR THE REORGANIZED DEBTORS INTEND TO, AND EACH DISCLAIMS ANY OBLIGATION TO: (A) FURNISH UPDATED PROJECTIONS TO HOLDERS OF ALLOWED CLAIMS OR EQUITY INTERESTS PRIOR TO THE EFFECTIVE DATE OR TO HOLDERS OF THE CAPITALSOURCE EXIT SECURED NOTE, THE DIP FACILITY EXIT SECURED NOTE, NEW COMMON STOCK OR TO ANY OTHER PARTY AFTER THE EFFECTIVE DATE; (B) INCLUDE ANY SUCH UPDATED INFORMATION IN ANY DOCUMENTS THAT MAY BE REQUIRED TO BE FILED WITH THE SEC; OR (C) OTHERWISE MAKE SUCH UPDATED INFORMATION PUBLICLY AVAILABLE.

THE DEBTORS PERIODICALLY ISSUE PRESS RELEASES REPORTING FINANCIAL RESULTS AND HOLDERS OF CLAIMS ARE URGED TO REVIEW ANY SUCH PRESS RELEASES WHEN, AND AS, ISSUED.

Significant Assumptions

The Debtors prepared the Projections based on, among other things, the anticipated future financial condition and results of operations of the Reorganized Debtors.

Although the forecasts represent the best estimates of the Debtors, for which the Debtors believe they have a reasonable basis as of the date hereof, of the results of operations and financial position of the Debtors after giving effect to the reorganization contemplated under the Plan, they are only estimates and actual results may vary considerably from forecasts. Consequently, the inclusion of the forecast information herein should not be regarded as a representation by the Debtors, the Debtors' advisors or any other person that the forecast results will be achieved.

While, after the Effective Date, the Debtors do not intend to update or otherwise revise the Projections to reflect circumstances existing since their preparation in July 2009, or to reflect the occurrence of unanticipated events, even in the event that any or all of the underlying assumptions are shown to be in error, the Reorganized Debtors will disclose its actual financial condition and results of operations during the period covered by the Projections in the quarterly and annual financial statements and accompanying discussion and analysis, contained in

the quarterly and annual reports it will provide pursuant to the terms of any contractual requirement effective after the Effective Date of the Plan.

The Projections were not prepared with a view toward general use, but rather for the limited purpose of providing information in conjunction with the Plan. Also they have been presented in lieu of pro forma historical financial information. Reference should be made to Article XX herein "CERTAIN RISK FACTORS AFFECTING THE DEBTORS" for a discussion of the risks related to the Projections.

The Debtors believe that a reasonable estimate of the Effective Date is on or about September __, 2009. If the Debtors are able to draw upon the DIP Facility as planned, it is the Debtors' belief that the Projections will not change materially even if the Effective Date does not occur on the assumed Effective Date.

Additional information relating to the principal assumptions used in preparing the Projections is set forth below. The following points represent the major assumptions underlying the Projections:

Effective Date and Plan Terms

The Projections assume that the Plan will be consummated in accordance with its terms and that all transactions contemplated by the Plan will be consummated by the assumed Effective Date. Any significant delay in the assumed Effective Date of the Plan may have a significant negative impact on the operations and financial performance of the Debtors including, but not limited to, an increased risk of inability to meet sales forecasts and higher reorganization expenses.

Total Revenue

The Projections assume that total revenue will be approximately $250.4 million in the year ending December 31, 2009. Total revenue for the years of 2010 and 2011 is expected to increase approximately 20.4% in 2010 and 0.0% in 2011. The assumed amounts are based on CSM production estimates, discussions with customer production planning personnel, booked and awarded new business and historical ship volumes.

Direct Costs

The Projections assume that direct costs (labor, material, depreciation, and general operating costs) as a percentage of total revenue are 103.8% in the year ending December 31, 2009. Depreciation expense has been estimated based on the Debtors' historical cost basis for its real and personal property without any adjustment that may occur due to a revaluation of the assets in connection with the reorganization. Direct costs for the years 2009 through 2011 as a percentage of total revenue are expected to be:

2009	2010	2011
103.8%	97.9%	97.0%

S,G&A Expense

The Projections assume that selling, general and administrative expense (including depreciation of non rental assets and amortization) as a percentage of total revenue is 5.3% in the year ending December 31, 2009. S,G&A expense for the years 2009 through 2011 as a percentage of total revenue are expected to be:

2009	2010	2011
5.3%	4.4%	4.3%

Interest Expense

To be determined depending on final capital structure.

Income Taxes

The Projections assume a tax rate (federal and state combined) of 0.0% of pre-tax income based upon the Reorganized Debtors' anticipated post-Effective Date tax attributes. This tax rate assumption, is based on an expectation that the Reorganized Debtors will qualify for a special exemption from Internal Revenue Code Section 382, which generally limits a company's ability to use certain tax attributes following an ownership change. The assumed tax rate could also vary if the Reorganized Debtors undergo an ownership change within two years following the effective date. Even if the Reorganized Debtors qualify for the noted exception and do not undergo another ownership change within two years of the effective date, the Reorganized Debtors likely will have some federal and state income tax liability, although any such liability is not expected to be significant.

Net Capital Expenditures

Net capital expenditures are assumed to be approximately $23.6 million in 2009, $20.5 million in 2010, and $23.2 million in 2011.

Working Capital

Receivables, payables and other working capital accounts are projected according to historical levels with respect to total revenue and reflect the trade terms in effect with each customer.

Post Reorganization Debt

The Projections assume that the long term emergence debt will be approximately $-0- million outstanding as of the Effective Date, consistent with the Term Sheet.

Balance Sheet Adjustments

All First Lien Obligations in respect of term loans and Second Obligations and equity items are extinguished. Gross equipment and property and other assets are reflected at their historical cost basis, less accumulated depreciation. Intangible assets, deferred financing costs, and accrued interest are written down to zero. The asset values are subject to change based on final asset revaluation pursuant to GAAP.

Business Improvement Initiatives

The financial projections assume that the Reorganized Debtors will: (a) achieve productivity savings of $3.5 million for 2010 as a result of the consolidation of certain of its facilities located in Sheboygan, WI and Glasgow, KY; (b) launch certain new business that has recently been awarded by its OEM customers; and (c) receive the benefits of the OEM Consensually Modified Agreement executed with each of its OEM customers that become effective upon the Effective Date. If the Reorganized Debtors were not to fully implement these business improvement initiatives, then their projected financial performance could materially deteriorate, thereby potentially adversely affecting current and future value.

XIX.

CONFIRMATION PROCEDURES

A. THE CONFIRMATION HEARING

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

The Bankruptcy Court has scheduled the Confirmation Hearing for September 3, 2009 at 10:00 a.m. E.D.T., before the Honorable Kevin Gross, United States Bankruptcy Judge for the District of Delaware, 824 Market Street, Wilmington, Delaware 19801. The Confirmation Hearing may be adjourned from time to time by the

Bankruptcy Court without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or any adjournment thereof.

Objections to confirmation of the Plan must be Filed with the Bankruptcy Court and served on or before August 31, 2009 at 4:00 p.m. E.D.T., in accordance with the Notice accompanying this Disclosure Statement. **THE BANKRUPTCY COURT WILL NOT CONSIDER OBJECTIONS TO CONFIRMATION UNLESS THEY ARE TIMELY SERVED AND FILED IN COMPLIANCE WITH THE CONFIRMATION ORDER.** Objections to confirmation of the Plan must be served on:

Counsel to the Debtors
Milbank, Tweed, Hadley & McCloy
601 S. Figueroa Street
30th Floor
Los Angeles, California 90004
Attn: Gregory Bray
Fred Neufeld
Haig Maghakian

B. STATUTORY REQUIREMENTS FOR CONFIRMATION OF THE PLAN

At the Confirmation Hearing, the Bankruptcy Court shall determine whether the requirements of section 1129 of the Bankruptcy Code have been satisfied. If so, the Bankruptcy Court shall enter the Confirmation Order. The Debtors believe that the Plan satisfies or will satisfy the applicable requirements, as follows:

- The Plan complies with the applicable provisions of the Bankruptcy Code.
- The Debtors, as Plan proponent, will have complied with the applicable provisions of the Bankruptcy Code.
- The Plan has been proposed in good faith and not by any means forbidden by law.
- Any payment made or promised under the Plan for services or for costs and expenses in, or in connection with, the Chapter 11 Cases, or in connection with the Plan and incident to the case, has been disclosed to the Bankruptcy Court, and any such payment: (a) made before the Confirmation of the Plan is reasonable; or (b) subject to the approval of the Bankruptcy Court as reasonable if it is to be fixed after the Confirmation of the Plan.
- Either each Holder of an Impaired Claim or Equity Interest has accepted the Plan, or will receive or retain under the Plan on account of that Claim or Equity Interest, property of a value, as of the Effective Date of the Plan, that is not less than the amount that the Holder would receive or retain if the Debtors were liquidated on that date under chapter 7 of the Bankruptcy Code.
- Each Class of Claims or Equity Interests that is entitled to vote on the Plan has either accepted the Plan or is not Impaired under the Plan, or the Plan can be confirmed without the approval of each voting Class pursuant to section 1129(b) of the Bankruptcy Code.
- Except to the extent that the Holder of a particular Claim will agree to a different treatment of its Claim, the Plan provides that Administrative Claims, Priority Tax Claims, Other Priority Claims and Other Secured Claims will be paid in full on the Effective Date, or as soon thereafter as practicable.
- At least one Class of Impaired Claims or Equity Interests will accept the Plan, determined without including any acceptance of the Plan by any insider holding a Claim of that Class.
- Confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtors or any successors thereto under the Plan unless such a liquidation or reorganization is proposed in the Plan.

- All fees of the type described in 28 U.S.C. § 1930, including the fees of the United States Trustee, will be paid as of the Effective Date.

The Debtors believe that: (a) the Plan satisfies or will satisfy all of the statutory requirements of chapter 11 of the Bankruptcy Code; (b) it has complied or will have complied with all of the requirements of chapter 11; and (c) the Plan has been proposed in good faith.

Best Interests of Creditors Test/Liquidation Analysis

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

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

- secured creditors (to the extent of the value of their collateral);
- priority creditors;
- unsecured creditors;
- debt expressly subordinated by its terms or by order of the Bankruptcy Court; and
- equity interest holders.

As demonstrated by the Liquidation Analysis included in the Plan Supplement, the Debtors believe that the value of any distributions in a chapter 7 case would be less than the value of distributions under the Plan because, among other reasons, distributions in a chapter 7 case may not occur for a longer period of time, thereby reducing the present value of such distributions. In this regard, it is possible that distribution of the proceeds of a liquidation could be delayed for a period in order for a chapter 7 trustee and its professionals to become knowledgeable about the Chapter 11 Cases and the Claims against the Debtors. In addition, proceeds received in a chapter 7 liquidation are likely to be significantly discounted due to the distressed nature of the sale, and the fees and expenses of a chapter 7 trustee would likely exceed those of the Professionals retained by the Debtors (thereby further reducing Cash available for distribution).

As demonstrated by the Going Concern Valuation of the Debtors contained in the Plan Supplement, the Debtors are worth less than the aggregate amount of their secured debt. Therefore, in any liquidation, even if the Debtors were sold as a going concern, the First Lien and Second Lien Lenders would receive all of the proceeds of such liquidation. Thus, all general unsecured creditors are receiving more than they would receive under any liquidation of the Debtors under chapter 7.

Feasibility

The Bankruptcy Code requires the Bankruptcy Court to find, as a condition to confirmation, that confirmation is not likely to be followed by a debtor's liquidation or the need for further financial reorganization, unless that liquidation or reorganization is contemplated by a chapter 11 plan. For purposes of showing that the Plan meets this feasibility standard, the Debtors have analyzed the Reorganized Debtors' ability to meet their obligations under the Plan and to retain sufficient liquidity and capital resources to conduct their businesses.

The Debtors believe that, with a significantly deleveraged capital structure, their businesses will be able to return to viability. The decrease in the amount of debt on the Debtors' balance sheet will substantially reduce their interest expense, thus improving their cash flow.

To support their belief in the Plan's feasibility, Debtors, with the assistance of CM&D, have prepared the financial projections included in the Plan Supplement. As discussed in greater detail in Article XVIII. of this Disclosure Statement, the financial projections show that the Reorganized Debtors should have sufficient cash flow to pay and service their debt obligations and to fund their operations. Accordingly, the Debtors believe that the Plan complies with the financial feasibility standard of section 1129(a)(11) of the Bankruptcy Code.

Acceptance by Impaired Classes

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

Confirmation Without Acceptance by All Impaired Classes

Section 1129(b) of the Bankruptcy Code allows a Bankruptcy Court to confirm a plan, even if all Impaired Classes entitled to vote on the plan have not accepted it, *provided that* the plan has been accepted by at least one Impaired Class. Holders of Equity Interests in Classes 6 and 7 are deemed to reject the Plan and, therefore, the Debtors intend to confirm the plan pursuant to section 1129(b) of the Bankruptcy Code.

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

In general, a plan does not discriminate unfairly if it treats a class substantially equivalent to how other classes that have equal rank are treated. Bankruptcy Courts will take into account a number of factors in determining whether a plan discriminates unfairly, including the effect of applicable subordination agreements between parties. Accordingly, a plan could treat two (2) classes of unsecured creditors differently without unfairly discriminating against either class.

The condition that a plan be "fair and equitable" to a non-accepting class of secured claims includes the requirements that: (a) the holders of such secured claims retain the liens securing such claims to the extent of the allowed amount of the claims, whether the property subject to the liens is retained by Debtors or transferred to another entity under the plan; and (b) each holder of a secured claim in the class receives deferred Cash payments totaling at least the allowed amount of such claim with a present value, as of the effective date of the plan, at least equivalent to the value of the secured claimant's interest in the debtor's property subject to the liens.

The condition that a plan be "fair and equitable" with respect to a non-accepting class of unsecured claims includes the following requirement that either: (a) the plan provides that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or (b) the holder of any claim or equity interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or equity interest any property.

The condition that a plan be "fair and equitable" to a non-accepting class of equity interests includes the requirements that either: (a) the plan provides that each holder of an equity interest in that class receives or retains under the plan, on account of that equity interest, property of a value, as of the effective date of the plan, equal to the greater of (i) the allowed amount of any fixed liquidation preference to which such holder is entitled, (ii) any fixed redemption price to which such holder is entitled or (iii) the value of such interest; or (b) if the class does not receive such an amount as required under (a), no class of equity interests junior to the non-accepting class may receive a distribution under the plan.

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

C. RISK FACTORS

Prior to deciding whether and how to vote on the Plan, each Holder of a Claim should consider carefully all of the information in this Disclosure Statement, and should particularly consider the Risk Factors described in Article XX, "CERTAIN RISK FACTORS AFFECTING THE DEBTORS".

D. IDENTITY OF PERSONS TO CONTACT FOR MORE INFORMATION

Any interested party desiring further information about the Plan should contact: Counsel for the Debtors: Milbank, Tweed, Hadley & McCloy LLP, 601 South Figueroa Street, 30th Floor, Los Angeles, California 90017; attn: Haig Maghakian.

E. DISCLAIMER

In formulating the Plan, the Debtors have relied on financial data derived from books and records. The Debtors therefore represent that everything stated in the Disclosure Statement is true to the best of their knowledge. The Debtors nonetheless cannot, and do not, confirm the current accuracy of all statements appearing in this Disclosure Statement. Moreover, the Bankruptcy Court has not yet determined whether the Plan is confirmable and therefore does not recommend whether you should accept or reject the Plan.

The discussion in the Disclosure Statement regarding the Debtors may contain "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements consist of any statement other than a recitation of historical fact and can be identified by the use of forward looking terminology such as "may," "expect," "anticipate," "estimate" or "continue" or the negative thereof or other variations thereon or comparable terminology. The reader is cautioned that all forward looking statements are necessarily speculative and there are certain risks and uncertainties that could cause actual events or results to differ materially from those referred to in such forward looking statements. The liquidation analyses, projections, and other information are estimates only, and the timing and amount of actual distributions to creditors may be affected by many factors that cannot be predicted. Therefore, any analyses or projections may or may not turn out to be accurate.

NOTHING CONTAINED IN THIS DISCLOSURE STATEMENT IS, OR SHALL BE DEEMED TO BE, AN ADMISSION OR STATEMENT AGAINST INTEREST BY THE DEBTORS FOR PURPOSES OF ANY PENDING OR FUTURE LITIGATION MATTER OR PROCEEDING.

ALTHOUGH THE ATTORNEYS, ACCOUNTANTS, ADVISORS AND OTHER PROFESSIONALS EMPLOYED BY THE DEBTORS HAVE ASSISTED IN PREPARING THIS DISCLOSURE STATEMENT BASED UPON FACTUAL INFORMATION AND ASSUMPTIONS RESPECTING FINANCIAL, BUSINESS, AND ACCOUNTING DATA FOUND IN THE BOOKS AND RECORDS OF THE DEBTORS, THEY HAVE NOT INDEPENDENTLY VERIFIED SUCH INFORMATION AND MAKE NO REPRESENTATIONS AS TO THE ACCURACY THEREOF. THE ATTORNEYS, ACCOUNTANTS, ADVISORS AND OTHER PROFESSIONALS EMPLOYED BY THE DEBTORS SHALL HAVE NO LIABILITY FOR THE INFORMATION IN THE DISCLOSURE STATEMENT.

THE DEBTORS AND THEIR PROFESSIONALS ALSO HAVE MADE A DILIGENT EFFORT TO IDENTIFY IN THIS DISCLOSURE STATEMENT PENDING LITIGATION CLAIMS AND PROJECTED OBJECTIONS TO CLAIMS. HOWEVER, NO RELIANCE SHOULD BE PLACED ON THE FACT THAT A PARTICULAR LITIGATION CLAIM OR PROJECTED OBJECTION TO CLAIM

IS, OR IS NOT, IDENTIFIED IN THE DISCLOSURE STATEMENT. SUBJECT TO THE TERMS OF THE FINAL DIP ORDER, THE DEBTORS MAY SEEK TO INVESTIGATE, FILE AND PROSECUTE LITIGATION CLAIMS AND PROJECTED OBJECTIONS TO CLAIMS AFTER THE CONFIRMATION OR EFFECTIVE DATE OF THE PLAN IRRESPECTIVE OF WHETHER THE DISCLOSURE STATEMENT IDENTIFIES ANY SUCH CLAIMS OR OBJECTIONS TO CLAIMS.

XX.

CERTAIN RISK FACTORS AFFECTING THE DEBTORS

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

A. CERTAIN BANKRUPTCY LAW CONSIDERATIONS

Parties-in-Interest May Object To Debtors' Classification of Claims and Equity Interests

Section 1122 of the Bankruptcy Code provides that a plan of reorganization may place a class or an interest in a particular class only if such claim or interest is substantially similar to the other claims or interests in such class. The Debtors believe that the classification of Claims and Equity Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because the Debtors created seven (7) classes of Claims and Equity Interests, each encompassing Claims or Equity Interests that are substantially similar to the other Claims or Equity Interests in each such class. For example, Class 1 comprises all Claims accorded priority in right to payment under section 507(a) of the Bankruptcy Code other than Priority Tax Claims or Administrative Claims. Class 2 comprises all Secured Claims, other than the First Lien Claims and Second Lien Claims. The Debtors have classified each of the secured claims other than Class 2 in individual classes pursuant to the requirements of section 1122. There can be no assurance, however, that the Bankruptcy Court will reach the same conclusion.

Risk of Non-Confirmation of the Plan

Although the Debtors believe that the Plan will satisfy all requirements necessary for Confirmation, there can be no assurance that the Bankruptcy Court will reach the same conclusion. Moreover, there can be no assurance that modifications of the Plan will not be required for Confirmation or that such Modifications would not necessitate the resolicitation of votes.

The Debtors May Not be Able to Secure Confirmation of the Plan

Each Holder of an Allowed Claim in Class 3, 4 and 5 shall be entitled to vote to accept or reject the Plan. But, even if the Debtors do receive the requisite acceptances from the classes entitled to vote, there can be no assurance that the Bankruptcy Court will confirm the Plan. A non-accepting creditor or a Holder of an Equity Interest of the Debtors might challenge the adequacy of this Disclosure Statement or could assert that the balloting procedures and results do not comply with the Bankruptcy Code or Bankruptcy Rules. Even if the Bankruptcy Court were to determine that this Disclosure Statement and the balloting procedures and results were appropriate, the Bankruptcy Court could still decline to confirm the Plan if it were to determine that any of the statutory requirements for confirmation had not been met, including a determination that the terms of the Plan are not fair and equitable to non-accepting 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 a plan "does not unfairly discriminate" and is "fair and equitable" with respect to any non-accepting classes, confirmation of the plan is not likely to be followed by a liquidation or a need for further financial reorganization and the value of distributions to non-accepting Holders of Claims and Equity Interests within a particular class under the plan will not be less than the value of distributions that any such Holders would receive were the debtors to be liquidated under chapter 7 of the Bankruptcy Code.

While there can be no assurance that these requirements will be met, the Debtors believe that the Plan will not be followed by a need for further financial reorganization and that non-accepting Holders within each Class

under the Plan will receive distributions at least as much as those that would be received following a liquidation under chapter 7 of the Bankruptcy Code, after taking into consideration all administrative claims and costs associated with any such chapter 7 case. The Debtors believe that Holders of Equity Interests in the Debtors would not receive any distribution under a liquidation pursuant to either chapter 7 or chapter 11.

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 6 and 7.

The Confirmation and Consummation of the Plan are also subject to certain conditions as described in Article XIX hereof, entitled "CONFIRMATION PROCEDURES". If the Plan is not confirmed, it is unclear whether a restructuring of the Debtors could be implemented and what distributions Holders of Claims ultimately would receive with respect to their Claims. If an alternative reorganization could not be agreed to, it is possible that the Debtors would have to liquidate their assets, in which case the Debtors believe it is likely that Holders of Claims would receive substantially less favorable treatment than they would receive under the Plan.

Although the Debtors believe that the valuation set forth herein demonstrates that Holders of Class 6 and 7 Equity Interests are not entitled to any distributions under an absolute priority analysis, there can be no assurance that Holders of such Equity Interests will not assert otherwise. Holders of Class 6 and 7 Equity Interests may assert, among other things, that the Plan is not "fair and equitable" and provides a greater than permitted recovery to senior classes of creditors. Although the Debtors believe that any such assertions would be without merit, there can be no assurance that any such assertions will not delay the Debtors' emergence from chapter 11 or may prevent Plan Confirmation.

The Debtors, subject to the terms and conditions of the Plan, reserve the right to modify the terms of the Plan as necessary for Confirmation. Any such Modification could result in a less favorable treatment of any non-accepting Class or Classes, as well as of any Classes junior to such non-accepting Classes, than the treatment currently provided in the Plan. Such a less favorable treatment could include a distribution of property to the Class affected by the modification of a lesser value than currently provided in the Plan or no distribution of property whatsoever under the Plan.

The Debtors May Object to the Amount or Classification of a Claim

Except as otherwise provided in the Plan and the Final DIP Order, the Debtors reserve the right to object to the amount or classification of any Claim or Equity Interest deemed Allowed under the Plan. The estimates set forth in this Disclosure Statement cannot be relied on by any Holder of a Claim or Equity Interest where such Claim or Equity Interest is subject to an objection. Any Holder of a Claim may not receive its specified share of the estimated distributions described in this Disclosure Statement.

Risk of Non-Occurrence of the Effective Date

Although the Debtors believe that the Effective Date may occur as soon as ten (10) Business Days after the Confirmation Date, there can be no assurance as to such timing. The Confirmation Order may be vacated by the Bankruptcy Court, in which event, the Plan would be deemed null and void and the Debtors may propose and solicit votes on an alternative plan of reorganization that may not be as favorable to parties in interest as the Plan.

Effect of the Debtors' Chapter 11 Cases on the Debtors' Business

The commencement of the Chapter 11 Cases by the Debtors may adversely affect the Debtors' business, and any such adverse effects may worsen during the pendency of protracted Chapter 11 Cases. The impact, if any, that the Chapter 11 Cases may have on the operations of the Debtors and their Subsidiaries cannot be accurately predicted or quantified. Since the Debtors' announcement of their intention to seek a restructuring of their capital structure, they have not suffered significant disruptions in or an adverse impact on their or their Subsidiaries' operations. Nonetheless, the continuation of the Chapter 11 Cases, particularly if the Plan is not approved or confirmed in the time frame currently contemplated, may adversely affect the Debtors' relationship with its customers or vendors. The Debtors believe that the Chapter 11 Cases and consummation of the Plan in an expeditious manner will have a minimal adverse impact on relationships with customers, employees and suppliers of the Debtors.

If Confirmation and consummation of the Plan do not occur expeditiously, the Chapter 11 Cases may adversely affect the Debtors' relationships with their customers, employees and vendors and could result in, among other things, increased costs for professional fees and similar expenses. In addition, prolonged Chapter 11 Cases may make it more difficult for the Debtors to retain and attract management and other key personnel and would require senior management to spend an excessive amount of time and effort dealing with the Debtors' financial problems instead of focusing on the operation of their businesses.

Substantive Consolidation Risks

The Plan is premised upon substantively consolidating the Debtors (as described in Article IV.C. hereof) for purposes associated with confirming and consummating the Plan, including but not limited to voting, confirmation, distribution. The Debtors can provide no assurance, however, that: (a) the Bankruptcy Court will enter an order granting the Debtors' motion for substantive consolidation contemplated by the Plan; or (b) the Bankruptcy Court will overrule any objection that a party-in-interest might have to such substantive consolidation.

Contingencies Not to Affect Votes of Impaired Classes to Accept the Plan

The distributions available to Holders of Allowed Claims under the Plan can be affected by a variety of contingencies, including, without limitation, whether or not the Debtors are consolidated and whether the Bankruptcy Court orders certain Claims to be subordinated to other Claims. The occurrence of any and all such contingencies which could affect distributions available to Holders of Allowed Claims under the Plan, however, will not affect the validity of the vote taken by the Impaired Classes to accept or reject the Plan or require any sort of revote by the Impaired Classes.

B. FINANCIAL INFORMATION; DISCLAIMER

Although the Debtors have used their reasonable best efforts to ensure the accuracy of the financial information provided in this Disclosure Statement, some of the financial information contained in this Disclosure Statement has not been audited and is based upon an analysis of data available at the time of the preparation of the Plan and this Disclosure Statement. While the Debtors believe that such financial information fairly reflects the financial condition of the Debtors, the Debtors are unable to warrant or represent that the information contained herein and attached hereto is without inaccuracies.

C. FACTORS AFFECTING THE VALUE OF THE SECURITIES TO BE ISSUED UNDER THE PLAN

The Chapter 11 Process May Adversely Impact the Perceptions of How Customers, Employees and Creditors Perceive the Debtors, Which May Adversely Affect Results

The Debtors' commencement of the contemplated Chapter 11 Cases may adversely affect the Debtors' future business prospects. The Debtors believe that any such adverse effects may worsen during the pendency of these Chapter 11 Cases if they were to become protracted. The impact, if any, of these Chapter 11 Cases on the Debtors' operations cannot be accurately predicted or quantified. Since the Debtors announced that they intended to seek to restructure their capital structure, they have not suffered significant disruptions in or an adverse impact on their operations. Nonetheless, the continuation of the Chapter 11 Cases, particularly if the Plan is not approved or confirmed in the time frame currently contemplated, would inevitably adversely affect the Debtors' relationship with its customers, vendors and employees, and may have a particularly negative impact on foreign operations. The Debtors believe that quickly concluding these Chapter 11 Cases and expeditiously consummating the Plan will have a minimal adverse impact on relationships with customers, employees and suppliers of the Debtors.

The Reorganized Debtors May Not be Able to Achieve Projected Financial Results

The Reorganized Debtors may not be able to meet their projected financial results or achieve the revenue or cash flow that they have assumed in projecting future business prospects. If the Reorganized Debtors do not achieve these projected revenue or cash flow levels, they may lack sufficient liquidity to continue operating as planned after the Effective Date. The Debtors' financial projections represent management's view based on current known facts

and hypothetical assumptions about the Reorganized Debtors' future operations. However, the Projections set forth herein do not guarantee the Reorganized Debtors' future financial performance.

The Reorganized Debtors May Not be Able to Meet Post-Reorganization Debt Obligations and Finance All Operating Expenses, Working Capital Needs and Capital Expenditures

To the extent the Reorganized Debtors are unable to meet their projected financial results or achieve projected revenues and cash flows, the Reorganized Debtors may be unable to service their debt obligations as they come due or to meet the Reorganized Debtors' operational needs. Such a failure may preclude the Reorganized Debtors from developing or enhancing their products, taking advantage of future opportunities, growing its business or responding to competitive pressures.

A Liquid Trading Market for the New Common Stock May Not Develop

The liquidity of any market for the New Common Stock will depend, among other things, on the number of Holders of the New Common Stock, the Reorganized Debtors' financial performance and the market for similar securities, none of which can be determined or predicted. Therefore, it is not certain that an active trading market will develop or, if a market develops, what the liquidity or pricing characteristics of that market will be. The New Board shall make any decision regarding the timing of a public listing of the New Common Stock.

The Trading Price for the New Common Stock May be Depressed Following the Effective Date

Assuming that the Plan is consummated, the New Common Stock will be issued to Holders of Class 3 and 4 Claims. Following the Effective Date, all such Holders may seek to dispose of their New Common Stock, which could depress the initial trading prices for these securities, particularly in light of the lack of established markets for trading these securities.

The Estimated Valuation of the Reorganized Debtors and the New Common Stock and the Estimated Recoveries to Holders of Claims, Are Not Intended to Represent the Trading Values of the New Common Stock

The Debtors' estimated recoveries to Creditors are not intended to represent the trading values of the Reorganized Debtors' securities in public or private markets. The estimated recoveries are based on numerous assumptions (the realization of many of which is beyond the control of the Reorganized Debtors), including, among other things, the successful reorganization of the Debtors, an assumed Effective Date shortly after the Confirmation Hearing (which Confirmation Hearing is expected to be September 3, 2009), the Debtors' ability to achieve the operating and financial results included in the Projections, the Debtors' ability to maintain adequate liquidity to fund operations and the assumption that capital and equity markets remain consistent with current conditions. Even if the Reorganized Debtors were to achieve results forecast by the Projections, a lack of trading liquidity could depress its trading market values for the New Common Stock. The lack of institutional research coverage and concentrated selling by Holders receiving New Common Stock could also depress trading values of the New Common Stock.

The New Common Stock May be Issued in Odd Lots

Holders of Allowed Claims may receive odd lot (less than 100 shares) distributions of New Common Stock. Holders may find it more difficult to dispose of odd lots in the marketplace and may face increased brokerage charges in connection with any such disposition.

The Reorganized Debtors Do not Expect to Pay Any Dividends on the New Common Stock for the Foreseeable Future

The Debtors do not expect the Reorganized Debtors to declare dividends in the foreseeable future with respect to the New Common Stock. The lack of dividends may adversely affect the market for and value of the New Common Stock.

Certain Tax Implications of the Debtors' Bankruptcy and Reorganization May Increase the Tax Liability of the Reorganized Debtors

Holders of Claims should carefully review Article XXII hereof, – "CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN" to determine how the tax implications of the Plan and these Chapter 11 Cases may adversely affect the Reorganized Debtors.

D. RISK FACTORS ASSOCIATED WITH THE BUSINESS

The Debtors' Business is Affected by the U.S. Economy and the Varying Economic and Business Cycles of Its Customers

The Debtors' business is vulnerable to the U.S. economy and the varying economic and business cycles of its customers.

The Debtors Have Incurred Significant Losses In Recent Years

There can be no assurance that the Reorganized Debtors will be, or of the extent to which they will be, profitable.

Competition

Certain of the Debtors' principal competitors may be better able to withstand market conditions within the automobile industry. The Debtors generally compete on the basis of, among other things: (a) quality and breadth of service; (b) expertise; (c) reliability; and (d) price. There can be no assurance that the Debtors will not encounter increased competition in the future, which could have a material adverse effect on their businesses, financial condition and results of operations. In addition, certain of the Debtors' competitors may attempt to use these Chapter 11 Cases and rumors concerning the Debtors' financial condition to their advantage. These discussions and rumors may adversely affect relations with the Debtors' customers, vendors and employees.

Reliance on Key Personnel

The Debtors' success and future prospects depend on the continued contributions of their senior management. The Debtors current financial position makes it difficult for them to retain key employees. There can be no assurances that the Debtors would be able to find qualified replacements for these individuals if their services were no longer available. The loss of services of one or more members of the senior management team could have a material adverse effect on the Debtors' business, financial condition and results of operations.

Loss of Key Customers

If some of the Debtors' existing customers ceased doing business with J.L. French, or if the Debtors were unable to generate new customers, they could experience an adverse impact on their business, financial condition and results of operations. The Debtors cannot be certain that any given customer in any given year will continue to use the Debtors' services in subsequent years. As noted previously, the Debtors' business with General Motors, Ford, Magna and Chrysler represents, in the aggregate, more than 95% of sales. There is significant risk in concentrating its sales with these customers, including but not limited to, potential customer insolvency, work stoppage, or other adverse circumstances.

E. FACTORS AFFECTING THE REORGANIZED DEBTORS

1. General Factors

Capital Requirements

The business of the Reorganized Debtors is expected to have substantial capital expenditure needs. While the Debtors' projections assume that operations will generate sufficient funds to meet capital expenditure needs for the foreseeable future, the Reorganized Debtors' ability to gain access to additional capital, if needed, cannot be assured, particularly in view of competitive factors and industry conditions.

Variances from Projections

The fundamental premise of the Plan is the de-leveraging of the Debtors and the implementation and realization of the Debtors' business plan, as reflected in the Projections contained in this Disclosure Statement. The Projections reflect numerous assumptions concerning the anticipated future performance of Reorganized J.L. French Automotive Castings, Inc. and its Subsidiaries, some of which may not materialize. Such assumptions include, among other items, assumptions concerning the general economy, the ability to make necessary capital expenditures, the ability to maintain market strength, consumer preferences and the ability to increase gross margins and control future operating expenses. The Debtors believe that the assumptions underlying the Projections are reasonable. However, unanticipated events and circumstances occurring subsequent to the preparation of the Projections may affect the actual financial results of the Reorganized Debtors. Therefore, the actual results achieved throughout the periods covered by the Projections necessarily will vary from the projected results and such variations may be material and adverse.

Disruption of Operations

The commencement and pendency of the Debtors' Chapter 11 Cases could adversely affect the Debtors' relationships with their customers and vendors, as well as the Debtors' ability to retain or attract high quality employees. In such event, weakened operating results may occur that could give rise to variances from the Debtors' projections.

2. Litigation Risks

As of the date of the Disclosure Statement, there were no pending demands or litigation asserting prepetition liability which the Debtors believe will have a material adverse effect on the operations or financial position of the Debtors or the Reorganized Debtors.

3. Environmental Liability Factors

The Debtors are subject to federal, state and local environmental and occupational health and safety laws and regulations, including laws and regulations air emissions, governing petroleum storage, waste water discharge, toxic substances control, underground storage tanks, hazardous chemical reporting and hazardous waste management, storage and disposal. J.L French LLC and NMP, each have certain potential environmental liabilities:

(a) NMP: Potential Existence of Hazardous Air Pollutants at facility located in Glasgow Kentucky.

The United States Environmental Protection Agency (the "EPA") promulgated new air quality standards applicable to secondary aluminum production operations ("Subpart RRR") that fixed a compliance date of March 24, 2003. Within 180 days of that date, facilities subject to the new air quality standards were required to successfully complete performance testing to demonstrate compliance with the air emission limitations. These new standards are applicable to the Debtors' secondary aluminum facility in Glasgow, Kentucky.

Both before and after March 2003, the Debtors began initial performance testing at the Glasgow facility, but the testing resulted in unexpected problems. In some instances, the equipment tested did not pass the applicable standard required by the EPA, and in other instances, the tests performed have been challenged due to debate over test procedures, conditions and engineering factors. As a result, it is not possible to assess whether proper testing was timely performed as required by the EPA. The EPA takes the position that the tests did not comply with federal requirements.

From March 2005 through February 2007, the Kentucky Department of Environmental Protection ("KYDEP") issued a number of Notices of Violation ("NOVs") for the Glasgow facility, alleging various instances of noncompliance with Subpart RRR and state law. The Debtors responded to each of these NOVs. On October 12, 2005, EPA issued a Section 114a request for information regarding operations and testing at the Glasgow facility. The Debtors responded to the Section 114a request, which resulted in the EPA's issuance of a Finding of Violation (the "FOV") for the Glasgow facility by a letter dated July 24, 2006. The EPA alleges violations of, among other

provisions of Subpart RRR, the dioxin/furan emission standards and failure to timely and accurately establish the facility's compliance status.

This matter was referred to the United States Department of Justice (the "DOJ") in December 2006. In the interest of attempting to resolve the outstanding allegations against the Debtors at the Glasgow facility, the Debtors have been working with DOJ, EPA, and KYDEP to discuss resolution of the alleged violations at the Glasgow facility through a future consent order. As part of the negotiations, the Debtors have proposed a plan to de-bottleneck the existing air emission capture and control systems and provide dedicated control systems for the different sources. A major component of the plan is an extended implementation schedule for the proposed capital improvements to allow for capital expenditures to be spread out over a period of several years. It is expected that these capital improvements will allow the Debtors to conduct performance testing in a manner acceptable to the EPA and simplify the Debtors' demonstration of compliance with Subpart RRR.

To date, the Debtors have completed some of the proposed capital improvements to the air capture and collection systems at the Glasgow facility, but has not yet provided dedicated treatment devices to all sources, as the proposed extended compliance schedule does not anticipate work to be completed until 2011. In November 2008, the DOJ directed the Debtors to conduct interim testing at the Glasgow facility to quantify the emissions of dioxins/furans and hydrogen chloride from the facility during the extended compliance schedule. The results from the interim testing showed that the facility exceeded the emissions limit for dioxins/furans during the test. The Debtors contend that this exceedance was not representative of normal operating conditions due to an excessive chlorine injection rate used during the test and testing at the maximum metal throughput, a condition that is not utilized under even peak operating conditions.

Although the Debtors had already planned to conduct an additional interim test at a lower chlorine injection rate and lower metal throughput rate to demonstrate that it can meet the dioxins/furans and hydrogen chloride emissions limit during normal operations, on February 12, 2009, the Debtors received an administrative order from EPA that orders the Debtors to immediately come into compliance with the Subpart RRR dioxin/furan standards and the hydrogen chloride standards and conduct additional interim testing within thirty (30) days (i.e., by March 14, 2009) to demonstrate compliance. The Debtors promptly made plans to perform both the preliminary engineering testing and interim testing by the established deadline. The EPA administrative order required the Debtors to report the interim test results within forty-five (45) days of completing the test. The Debtors conducted this testing and timely reported to EPA the passing test report.

(b) J.L. French LLC

(i) Potential Existence of Hazardous Air Pollutants at Gateway and Taylor facilities in Sheboygan, Wisconsin.

The EPA's air quality standards applicable to secondary aluminum production operations are potentially applicable to the Debtors' secondary aluminum facilities in Sheboygan, Wisconsin.

Subsequent to March 2003, the Debtors began initial performance testing at the Taylor and Gateway facilities, but the testing resulted in unexpected problems. In some instances, the equipment tested did not pass the applicable standard required by the EPA, and in other instances, the tests performed have been challenged due to debate over test procedures, conditions and engineering factors. As a result, it is not possible to assess whether proper testing was timely performed as required by the EPA. The EPA takes the position that the tests did not comply with federal requirements.

Following the March 24, 2003 compliance date, the EPA made a Section 114a request for information regarding operations and testing at the Gateway facility. The Debtors responded to the Section 114a request, which resulted in the EPA's issuance of an FOV for the Gateway facility by a letter dated September 3, 2004. The EPA alleges violations of the dioxin/furan emission standards and failure to timely and accurately establish the facility's compliance status. On December 22, 2005, the EPA issued a Section 114a request for information regarding operations and testing at the Debtors' Taylor facility in Sheboygan, Wisconsin. No FOV has been issued yet for the Taylor facility, but the Section 114a request is an indication that the EPA is investigating the Debtors' operations at that facility; communications with EPA subsequent to the Section 114a request have confirmed that EPA is alleging similar violations of Subpart RRR at the Taylor facility as it has alleged at the Gateway facility.

Compliance with Subpart RRR for both the Gateway and Taylor facilities was referred to the DOJ in December 2006. The Debtors have met with EPA and DOJ on several occasions to discuss resolution of the alleged violations at both the Gateway and Taylor facilities through a future consent order between the Debtors and the DOJ. As part of the negotiations, the Debtors have proposed a plan to de-bottleneck the existing air emission capture and control systems and provide dedicated control systems for each process unit at both facilities. A major component of the plan is an extended implementation schedule for the proposed capital improvements to allow for capital expenditures to be spread out over a period of several years. It is expected that these capital improvements will allow the Debtors to conduct performance testing in a manner acceptable to the EPA and simplify the Debtors' demonstration of compliance with Subpart RRR.

To date, the Debtors have completed all proposed capital improvements to the air emission capture and control systems at the Gateway facility; the only work remaining at the Gateway facility is the completion of performance testing of each source to demonstrate compliance with the Subpart RRR emissions limits, as well as the completion of revisions to the Subpart RRR-required Operation, Maintenance and Monitoring ("OM&M") plans and Startup, Shutdown and Malfunction ("SSM") plans for each source after successful performance testing. The Debtors have not yet begun any of the proposed capital improvements to the air emission capture and control systems, performance testing, or OM&M or SSM plan revisions at the Taylor facility, as the proposed extended compliance schedule called for these improvements to be completed in the next three (3) years.

On March 24, 2009, Region V USEPA issued an administrative order requiring J.L. French to conduct performance testing at Gateway and Taylor plants demonstrating compliance with Subpart RRR for dioxin/furan standards and the hydrogen chloride standards. Under this administrative order, J.L. French is required to submit, within thirty (30) days of receipt of the administrative order, test protocols for conducting the performance testing and upon EPA review and approval of the test protocols, J.L. French must conduct the performance testing within thirty (30) days of approval.

J.L. French has prepared the test protocols for the Gateway facility and has decided to operate the Taylor facility as clean charge Group 2 furnaces. The proposed change in operation of the Taylor facility has been presented to USEPA Region V and verbal approval has been granted subject to J.L. French entering into a Consent Order with Region V regarding the change in operation. A Consent Order is in preparation by USEPA for the Taylor facility.

(ii) Potential PCB-containing waste materials at Sheboygan, Wisconsin Gateway Plant.

As a result of the Debtors' material sorting operations at the Gateway facility, the Debtors processed certain scrap materials that resulted in the generation of wastes containing polychlorinated biphenyls ("PCBs") at concentrations above the threshold triggering hazardous waste disposal requirements. The Debtors have been properly disposing of the resulting waste materials at approved landfills. To date, no environmental investigation has been conducted to assess the extent, if any, of any environmental contamination of the Gateway property as a result of processing these scrap materials.

(iii) Stormwater runoff at Sheboygan, Wisconsin Taylor Plant.

Past visual inspections of the Taylor plant's storm water outfalls have occasionally indicated a slight oil sheen on standing water at the outfall near the northeast corner of the site. The potential source of this sheen would be runoff from the outdoor storage of scrap rolloffs on the eastern side of the building.

(iv) Former underground storage tank at Sheboygan, Wisconsin Taylor Plant.

A former 30,000-gallon underground storage tank ("UST") was removed prior to the December 1988 federal deadline requiring documentation upon tank removal/closure. As a result, facility personnel have no documentation related to historic tank registration or closure. The former UST pit was excavated and filled as part of a building addition constructed in the middle 1980s.

Other than as stated above, the Debtors are not aware of any property owned or leased by them that poses or is alleged to pose a threat of imminent and identifiable harm to the public health and safety. Moreover, Chapter 11 Cases have not resulted in any change of the Debtors' ongoing compliance with respect to their activities.

Certain Voting Blocs May, in the Future, Control the Equity of the Reorganized Debtors

Although the Debtors do not anticipate that any one Person or Entity will have a majority of shares of New Common Stock, it is possible that such a Person or Entity may acquire sufficient New Common Stock to exercise voting control over decisions such as selecting members of the Reorganized Debtors' board of directors.

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 DEBTORS, INCLUDING THE IMPLEMENTATION OF THE PLAN, THE CONTINUING AVAILABILITY OF SUFFICIENT BORROWING CAPACITY OR OTHER FINANCING TO FUND OPERATIONS, CURRENCY EXCHANGE RATE FLUCTUATIONS, TERRORIST ACTIONS OR ACTS OF WAR, OPERATING EFFICIENCIES, LABOR RELATIONS, ACTIONS OF GOVERNMENTAL BODIES AND OTHER MARKET AND COMPETITIVE CONDITIONS. HOLDERS OF CLAIMS AND EQUITY 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 AND THE DEBTORS UNDERTAKE NO OBLIGATION TO UPDATE ANY SUCH STATEMENTS.

XXI.

ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

If the Plan is not confirmed and consummated, the alternatives to the Plan include: (a) liquidation of the Debtors under chapter 7 of the Bankruptcy Code; and (b) an alternative plan of reorganization.

A. LIQUIDATION UNDER CHAPTER 7

If no plan can be confirmed, the Debtors' Chapter 11 Cases may be converted to a case (or cases) under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be elected to liquidate the assets of the Debtors for distribution in accordance with the priorities established by the Bankruptcy Code. A discussion of the effects that a chapter 7 liquidation would have on the recoveries of Holders of Claims and Equity Interests and the Debtors' liquidation analysis is set forth in Article XIX.B above, entitled "CONFIRMATION PROCEDURES Best Interests of Creditors Test/Liquidation Analysis." The Debtors believe that liquidation under chapter 7 would result in (a) smaller distributions being made to creditors than those provided for in the Plan because of: (i) the likelihood that the assets of the Debtors would have to be sold or otherwise disposed of in a less orderly fashion over a shorter period of time; (ii) additional administrative expenses involved in the appointment of a trustee; and (iii) additional expenses and claims, some of which would be entitled to priority, which would be generated during the liquidation and from the rejection of leases and other executory contracts in connection with a cessation of the Debtors' operations; and (b) no distributions being made to any class junior to Classes 3 and 4.

B. ALTERNATIVE PLAN OF REORGANIZATION

If the Plan is not confirmed, the Debtors (or if the Debtors' exclusive period in which to file a plan of reorganization has expired, any other party in interest) could attempt to formulate a different plan. Such a plan might involve either a reorganization and continuation of the Debtors' business or an orderly liquidation of their assets. With respect to an alternative plan, the Debtors have explored various alternatives in connection with the formulation and development of the Plan. The Debtors believe that the Plan, as described herein, enables creditors to realize the most value under the circumstances. In a liquidation under chapter 11, the Debtors' assets would be sold in an orderly fashion over a more extended period of time than in a liquidation under chapter 7, possibly resulting in somewhat greater (but indeterminate) recoveries than would be obtained in chapter 7. Further, if a

trustee were not appointed, because such appointment is not required in a chapter 11 case, the expenses for professional fees would most likely be lower than those incurred in a chapter 7 case. Although preferable to a chapter 7 liquidation, the Debtors believe that any alternative liquidation under chapter 11 is a much less attractive alternative to creditors and Equity Interest Holders than the Plan because of the greater return provided by the Plan.

XXII.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

The following discussion summarizes certain federal income tax consequences of the implementation of the Plan to the Debtors and certain Holders of Claims. The following summary is based on the Internal Revenue Code of 1986, as amended (the "Tax Code"), Treasury Regulations promulgated thereunder (the "Regulations"), judicial decisions, and published administrative rules and pronouncements of the Internal Revenue Service ("IRS") as in effect on the date hereof. Changes in such rules or new interpretations thereof may have retroactive effect and could significantly affect the federal income tax consequences described below.

The federal income tax consequences of the Plan are complex and are subject to significant uncertainties. The Debtors have not requested and will not request a ruling from the IRS or an opinion of counsel with respect to any of the tax aspects of the Plan. Thus, no assurance can be given as to the interpretation that the IRS will adopt. This summary does not address foreign, state or local tax consequences of the Plan. In addition, this summary does not address tax consequences of the Plan to holders of Swaps, nor does it purport to address the federal income tax consequences of the Plan to special classes of taxpayers (such as Persons who are related to the Debtors within the meaning of the Tax Code, foreign taxpayers, broker-dealers, banks, mutual funds, insurance companies, financial institutions, small business investment companies, regulated investment companies, tax-exempt organizations, investors in pass-through entities, Persons holding Claims as part of an integrated, straddle or conversion transaction, and Holders of Claims who are themselves in bankruptcy) unless otherwise noted herein. Furthermore, this discussion assumes that Holders of Claims hold only Claims in a single Class. Holders of Claims in multiple Classes should consult their own tax advisors as to the effect such ownership may have on the federal income tax consequences described below.

This discussion assumes that the various debt and other arrangements to which the Debtors are a party will be respected for federal income tax purposes in accordance with their form.

THE FOLLOWING SUMMARY OF CERTAIN 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 OTHER TAX CONSEQUENCES APPLICABLE UNDER THE PLAN.

IRS CIRCULAR 230 DISCLOSURE: TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS, ANY TAX ADVICE CONTAINED IN THIS SUMMARY (INCLUDING ANY ATTACHMENTS) IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE TAX CODE. TAX ADVICE CONTAINED IN THIS SUMMARY (INCLUDING ANY ATTACHMENTS) IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED BY THE SUMMARY. EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

A. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES TO THE DEBTORS

The Debtors currently have significant consolidated net operating loss ("NOL") carryforwards and expect to generate additional NOLs in the current year. As discussed below, the amount of the Debtors' current year NOLs and NOL carry forwards may be significantly reduced upon implementation of the Plan. In addition, the Reorganized Debtors' subsequent utilization of any losses and NOL carry forwards remaining and possibly certain other tax attributes may be restricted as a result of and upon the implementation of the Plan.

Cancellation of Debt Income

Reduction of Tax Attributes. The Tax Code provides that a debtor in a bankruptcy case generally must reduce certain of its tax attributes such as NOL carry forwards, current year NOLs, tax credits and tax basis in assets by the amount of any cancellation of indebtedness income ("CODI") realized in bankruptcy. CODI is the amount by which the indebtedness discharged (reduced by any unamortized discount) exceeds any consideration given in exchange therefor (less any consideration attributable to accrued interest), subject to certain statutory or judicial exceptions that can apply to limit the amount of CODI (such as where the payment of the cancelled debt would have given rise to a tax deduction). As a result of implementation of the Plan, and in particular the cancellation of some Claims and exchange of other Claims for Cash, New Common Stock, debt and Warrants of the Reorganized Debtors, the Debtors expect to realize substantial CODI, which is expected to eliminate the current year NOL and a significant amount of the NOL carry forwards.

Elective CODI Deferral. Recent legislation allows certain taxpayers that recognize CODI in 2009 or 2010 to elect to include the CODI in taxable income ratably over the 5-year period beginning in the fourth (4^{th}) or fifth (5^{th}) tax year, depending on whether the COD is recognized in 2009 or 2010, after the CODI is recognized (a "CODI Deferral Election"). The deferral ends if the taxpayers liquidate or sell substantially all of their assets. If this election is available to a debtor in bankruptcy, the debtor may elect to include CODI in taxable income on a deferred basis rather than reducing its tax attributes by the amount of CODI in the year the CODI arises. The Debtors do not expect to make a CODI Deferral Election with respect to all or a part of the CODI they will recognize as a result of the implementation of the Plan.

Limitation on NOL Carry Forwards and Other Tax Attributes

General Section 382 Annual Limitation. In general, under section 382 of the Tax Code, if a corporation undergoes an "ownership change," the amount of its NOLs, credit carryforwards and recognized built-in losses in the 5-year period following the ownership change if the net unrealized built-in loss exceeds a statutory threshold ("Pre-Change Losses") that may be utilized in a year to offset future taxable income is generally limited to an amount equal to the product of (i) the fair market value of the stock of the loss corporation immediately before the ownership change (with certain adjustments) multiplied by (ii) the "long-term tax-exempt rate" in effect for the month in which the ownership change occurs (4.58% for ownership changes occurring in July 2009). Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year. The limitation on use of Pre-Change Losses following an ownership change is in addition to any reduction of tax attributes in connection with the realization of CODI.

As a result of ownership changes that occurred prior to the commencement of this bankruptcy case, including any ownership change that occurred as a result of the Debtors' previous bankruptcy, some of the Debtors' existing Pre-Change Losses are subject to limitation on use as described above.

Special Bankruptcy Exceptions

There are two exceptions to the general loss limitation rule under section 382 of the Tax Code. The first exception generally applies when so-called "qualified creditors" and/or shareholders of a company in bankruptcy receive, in respect of their claims or as a result of being shareholders, at least 50% in the aggregate of the vote and value of the stock of the reorganized debtor (or a controlling corporation if also in bankruptcy) pursuant to a confirmed Chapter 11 plan (the "382(l)(5) Exception"). Under the 382(l)(5) Exception, a debtor's Pre-Change Losses that were not limited as a result of a previous ownership change are not limited on an annual basis but, instead, the debtor is required to reduce its NOL and tax credit carryforwards by the amount of any interest deductions claimed during the three (3) taxable years preceding the effective date of the reorganization, and during the part of the taxable year prior to and including the reorganization, in respect of all debt converted into stock in the reorganization. If the 382(l)(5) Exception applies and the Debtors undergo another ownership change within two (2) years after Consummation, then the Debtors' Pre-Change Losses would be eliminated in their entirety.

If the 382(l)(5) Exception is not applicable to a debtor in bankruptcy (either because the debtor company does not qualify for it or the debtor company elects not to utilize it), the second exception to the general section 382 rule (the "382(l)(6) Exception") will generally apply. When the 382(l)(6) Exception applies, a corporation in bankruptcy that undergoes an "ownership change" generally is permitted to determine the fair market value of its

stock after taking into account the increase in value resulting from any surrender or cancellation of creditors' claims in the bankruptcy. This differs from the ordinary rule that requires the fair market value of a corporation's equity to be determined before the events giving rise to the ownership change.

The Debtors have not yet determined whether the ownership change that will likely occur in connection with implementation of the Plan will qualify for the 382(l)(5) Exception. If it does qualify for the 382(l)(5) Exception, the Debtors expect to apply that exception. If the Debtors do qualify for the 382(l)(5) Exception and apply that exception, it may be beneficial to restrict transferability of the Reorganized Debtors' equity for the two (2) years after the Consummation to prevent a subsequent ownership change.

B. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES TO THE HOLDERS OF CLASS 3 CLAIMS

1. First Lien Revolving Lender

Pursuant to the Plan, a Holder of a Class 3 First Lien Claim that is a First Lien Revolver Lender will receive the CapitalSource Exit Secured Note in full payment of its Claim. The federal income tax consequences of the Plan to such creditors will depend, in part, on whether the Class 3 First Lien Claim and the CapitalSource Exit Secured Note constitute "securities" for federal income tax purposes.

Whether a debt instrument constitutes a "security" for federal income tax purposes is determined based on all the facts and circumstances. Many authorities have held that the length of the term of a debt instrument at initial issuance is an important factor in determining whether such instrument is a security for federal income tax purposes. These authorities have indicated that a term of less than five (5) years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that it is a security. There are numerous other factors that could be taken into account in determining whether a debt instrument is a security, including the security for payment, the creditworthiness of the obligor, the subordination or lack thereof to other creditors, the right to vote or otherwise participate in the management of the obligor, convertibility of the instrument into an equity interest of the obligor, whether payments of interest are fixed, variable or contingent, and whether such payments are made on a current basis or accrued. A Holder of a Class 3 First Lien Claim that is a First Lien Revolver Lender should consult with its tax advisor to determine whether it should treat its Claim and the CapitalSource Exit Secured Note as securities.

If the First Lien Revolving Lender's Claim and the CapitalSource Exit Secured Note are treated as "securities," the exchange of the Claim for the CapitalSource Exit Secured Note should be treated as a recapitalization under the Tax Code. In general, this means that the First Lien Revolving Lender will not recognize loss with respect to the exchange and will not recognize gain except with respect to accrued but unpaid interest on the Claim. If the exchange is treated as a recapitalization, the First Lien Revolving Lender should obtain a tax basis in the CapitalSource Exit Secured Note equal to the tax basis of the Claim exchanged. The First Lien Revolving Lender should have a holding period for the CapitalSource Exit Secured Note that includes the holding period for the First Lien Revolving Lender's Claim; *provided that* the tax basis of any portion of the CapitalSource Exit Secured Note treated as received in satisfaction of accrued interest should equal the amount of such accrued interest, and the holding period for such portion of the CapitalSource Exit Secured Note should begin on the day following the Effective Date.

If either the First Lien Revolving Lender's Claim or the CapitalSource Exit Secured Note is not treated as a "security" for federal income tax purposes, the First Lien Revolving Lender should be treated as exchanging its Claim for the CapitalSource Exit Secured Note in a fully taxable exchange. In that case, the First Lien Revolving Lender should recognize gain or loss equal to the difference between (i) the "issue price" (as described below in Section XXII.G.1) of the portion of the CapitalSource Exit Secured Note that is not allocable to accrued interest and (ii) the First Lien Revolving Lender's tax basis in the Claim surrendered. The character of any gain or loss on the exchange will depend on the character of the Claim as held by the First Lien Revolving Lender and, possibly, the application of the "market discount" rules described in Section XXII.F below. To the extent that a portion of the CapitalSource Exit Secured Note received in the exchange is allocable to accrued interest, the First Lien Revolving Lender may recognize ordinary income. See the discussion of accrued interest in Section XXII.E below. The First Lien Revolving Lender's tax basis in the CapitalSource Exit Secured Note should equal the "issue price" of the

CapitalSource Exit Secured Note. The First Lien Revolving Lender's holding period for the CapitalSource Exit Secured Note should begin on the day following the Effective Date.

A Holder of a Class 3 First Lien Claim that is a First Lien Revolver Lender should consult with its tax advisor to determine whether the exchange of the First Lien Revolving Lender Claim for the CapitalSource Exit Secured Note is properly treated as a recapitalization.

2. First Lien Term Lender

Pursuant to the Plan, a Holder of a Class 3 First Lien Claim that is a First Lien Term Lender will receive New Common Stock in full payment of its Claim. The federal income tax consequences of the Plan to such creditors will depend, in part, on whether the Class 3 First Lien Claims constitute "securities" for federal income tax purposes.

As discussed above in Section XXII.B.1, whether an instrument constitutes a "security" is determined based on all the facts and circumstances. If the First Lien Term Lenders' Claims are treated as "securities," the exchange of such Claims for New Common Stock should be treated as a recapitalization under the Tax Code. In general, this means that a First Lien Term Lender will not recognize loss with respect to the exchange and will not recognize gain except with respect to accrued but unpaid interest on the Claims. If the exchange is treated as a recapitalization, a First Lien Term Lender should obtain a tax basis in the New Common Stock equal to the tax basis of the First Lien Term Lender Claims exchanged therefore. A First Lien Term Lender should have a holding period for the New Common Stock that includes the holding period for the old Claim; *provided that* the tax basis of any share of New Common Stock treated as received in satisfaction of accrued interest should equal the amount of such accrued interest, and the holding period for such share of New Common Stock should begin on the day following the Effective Date.

If a First Lien Term Lender's Claim is not treated as a "security" for federal income tax purposes, a First Lien Term Lender should be treated as exchanging its Claim for New Common Stock in a fully taxable exchange. In that case, the First Lien Term Lender should recognize gain or loss equal to the difference between (i) the fair market value on the Effective Date of the shares of New Common Stock received that are not allocable to accrued interest, and (ii) the First Lien Term Lender's tax basis in the Claim surrendered. Subject to the "market discount" rules described in Section XXII.F below, such gain or loss should be capital in nature and should be long-term capital gain or loss if the Claim was held for more than one (1) year by the First Lien Term Lender. To the extent that a portion of the New Common Stock received in the exchange is allocable to accrued interest, the First Lien Term Lender may recognize ordinary income. See the discussion of accrued interest in Section XXII.E below. A First Lien Term Lender's tax basis in the New Common Stock should equal the fair market value of the New Common Stock as of the Effective Date. A First Lien Term Lender's holding period for the New Common Stock should begin on the day following the Effective Date.

A Holder of a Class 3 First Lien Claim that is a First Lien Term Lender should consult with its tax advisor to determine whether the exchange of the First Lien Term Lender Claim for New Common Stock is properly treated as a recapitalization.

C. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES TO THE HOLDERS OF CLASS 4 CLAIMS

Pursuant to the Plan, Holders of Class 4 Second Lien Claims will receive New Common Stock and Class 4 Warrants in full satisfaction and discharge of their Claims. The federal income tax consequences of the Plan to such creditors will depend, in part, on whether the Claim surrendered constitutes a "security" for federal income tax purposes.

As discussed above in Section XXII.B.1, whether an instrument constitutes a "security" is determined based on all the facts and circumstances. If a Holder's Claim is treated as a "security", the exchange of such Claim for New Common Stock and Class 4 Warrants should be treated as a recapitalization under the Tax Code. In general, this means that a Holder will not recognize loss with respect to the exchange and will not recognize gain except with respect to accrued but unpaid interest on the Claim. If the exchange is treated as a recapitalization, a Holder should obtain a tax basis in the New Common Stock and Class 4 Warrants equal to the tax basis of the Class

4 Second Lien Claims exchanged therefore, and allocated according to the fair market value of the New Common Stock and Class 4 Warrants as of the Effective Date. A Holder should have a holding period for the New Common Stock and Class 4 Warrants that includes the holding period for the old Claim; *provided that* the tax basis of any share of New Common Stock or Class 4 Warrant treated as received in satisfaction of accrued interest should equal the amount of such accrued interest, and the holding period for such share of New Common Stock or Class 4 Warrants should not include the holding period of the old Claim.

If a Holder's Claim is not treated as a "security" for federal income tax purposes, a Holder should be treated as exchanging its Claim for New Common Stock and Class 4 Warrants in a fully taxable exchange. In that case, the Holder should recognize gain or loss equal to the difference between (i) the fair market value of the New Common Stock and Class 4 Warrants as of the Effective Date (except for any such stock or warrants that are allocable to accrued interest), and (ii) the Holder's tax basis in the Claim surrendered. Subject to the "market discount" rules described in Section XXII.F below, such gain or loss should be capital in nature and should be long-term capital gain or loss if the Claim were held for more than one (1) year by the Holder. To the extent that a portion of the New Common Stock or Class 4 Warrants is allocable to accrued interest, the Holder may recognize ordinary income. See the discussion of accrued interest in Section XXII.E below. A Holder's tax basis in the New Common Stock and Class 4 Warrants should equal the fair market value of the New Common Stock and Class 4 Warrants as of the Effective Date. A Holder's holding period for the New Common Stock and Class 4 Warrants should begin on the day following the Effective Date.

D. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES TO THE HOLDERS OF CLASS 5 CLAIMS

Pursuant to the Plan, Holders of Class 5 General Unsecured Claims will receive Cash in full satisfaction and discharge of their Claims. A Holder who receives Cash in exchange for its Claim pursuant to the Plan will generally recognize income, gain or loss for federal income tax purposes in an amount equal to the difference between (i) the amount of Cash received in exchange for its Claim, and (ii) the Creditor's adjusted tax basis in its Claim. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the Holder, the nature of the Claim in such Holder's hands, whether the Claim constitutes a capital asset in the hands of the Holder, whether the Claim (or the obligation constituting the Claim) was purchased at a discount, and whether and to what extent the Holder has previously claimed a bad debt deduction with respect to its Claim.

To the extent that any amount received by a Holder of a Claim is attributable to accrued interest, such amount should be taxable to the Holder as interest income. See the discussion of distributions in discharge of accrued interest in Section XXII.E below.

E. DISTRIBUTION IN DISCHARGE OF ACCRUED INTEREST

Pursuant to the Plan, all distributions to a Holder of an Allowed Claim will be allocated first to the principal amount of such Claims, as determined for federal income tax purposes, and thereafter, to the remaining portion of such Claim, if any. There is no assurance that such allocation will be respected by the IRS for federal income tax purposes.

In general, to the extent that any amount of Cash, CapitalSource Exit Secured Note, New Common Stock or Warrants are received by a Holder is received in satisfaction of accrued interest or original issue discount ("OID") accrued during its holding period, the value of the Cash, New Common Stock and Warrants and the "issue price" of CapitalSource Exit Secured Note will be taxable to the Holder as interest income (if not previously included in the Holder's gross income). Conversely, a Holder generally recognizes a deductible loss to the extent any accrued interest claimed was previously included in its gross income and is not paid in full. However, the IRS has privately ruled that a holder of a security, in an otherwise tax-free exchange, could not claim a current deduction with respect to any unpaid OID. Accordingly it is unclear whether, by analogy, a Holder of a Claim with previously included OID that is not paid in full would be required to characterize such loss based on the character of the underlying obligation.

Each Holder is urged to consult its tax advisor regarding the allocation of consideration and the deductibility of unpaid interest or accrued OID for tax purposes.

F. GAIN ATTRIBUTABLE TO MARKET DISCOUNT

Under the "market discount" provisions of sections 1276 through 1278 of the Tax Code, the gain realized by a Holder of a Claim that exchanges the Claim for Cash, a CapitalSource Exit Secured Note, New Common Stock and/or Warrants on the Effective Date may be treated as ordinary income (instead of capital gain) to the extent of the amount of "market discount" on the Claim (or the debt instrument constituting the Claim). In general, a debt instrument is considered to have been acquired with "market discount" if its holder's adjusted tax basis in the debt instrument is less than (i) the sum of all remaining payments to be made on the debt instrument, excluding "qualified stated interest" or, (ii) in the case of a debt instrument issued with original issue discount, its adjusted issue price, by at least a de minimis amount (equal to 0.25 percent of the sum of all remaining payments to be made on the debt instrument, excluding qualified stated interest, multiplied by the number of remaining whole years to maturity).

Any gain recognized by a Holder on the taxable disposition of a Claim should be treated as ordinary income to the extent of the market discount that accrued on the Claim (or the debt instrument constituting the Claim) while it was considered to be held by the Holder (unless the Holder elected to include market discount in income as it accrued). If a Claim is deemed to be exchanged for a CapitalSource Exit Secured Note, New Common Stock or Warrants in a transaction qualifying as a recapitalization, any gain recognized on the subsequent sale, exchange, redemption or other disposition of the CapitalSource Exit Secured Note, New Common Stock or Warrants received in the exchange may be treated as ordinary income to the extent of the accrued but unrecognized market discount with respect to the Claim (or the debt instrument constituting the Claim).

G. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES TO THE HOLDERS OF CAPITALSOURCE EXIT SECURED NOTES

1. Stated Interest and Original Issue Discount

A holder of a CapitalSource Exit Secured Note will be required to include stated interest on the CapitalSource Exit Secured Note in income in accordance with the holder's regular method of accounting.

A debt instrument generally has OID if its "stated redemption price at maturity" exceeds its "issue price" by more than a de minimis amount. A debt instrument's stated redemption price at maturity includes all principal and interest payable over the term of the note, other than qualified stated interest. Stated interest is "qualified stated interest" if it is payable in cash at least annually at a fixed rate. The "issue price" of the CapitalSource Exit Secured Note will depend on whether, at any time during the sixty (60)-day period ending thirty (30) days after the Effective Date, such note or the First Lien Revolver Lender's Claim is traded on an "established market" within the meaning of the tax law. If the CapitalSource Exit Secured Note is treated for this purpose as traded on an established market, the "issue price" will equal the fair market value of the instrument as of the Effective Date. If the CapitalSource Exit Secured Note is not treated as traded on an established market but the First Lien Revolving Lender's Claim is so treated, the "issue price" of the CapitalSource Exit Secured Note will equal the fair market value of the First Lien Revolving Lender's Claim as of the Effective Date. The Debtors do not believe that the First Lien Revolving Lender's Claim will be treated as traded on an established securities market. If neither the CapitalSource Exit Secured Note nor the First Lien Revolving Lender's Claim is treated as traded on an established market, the "issue price of the Capital Source Exit Secured Note will be its principal amount. The CapitalSource Exit Secured Note will be treated as issued with OID to the extent that its "issue price" is less than its principal amount.

A holder of a CapitalSource Exit Secured Note that is issued with OID generally will be required to include any OID in income over the term of the note (for so long as the note continues to be owned by the holder) in accordance with a constant yield-to-maturity method, regardless of whether the holder is a cash or accrual method taxpayer, and regardless of whether and when the holder receives cash payments of interest on the note (other than cash attributable to qualified stated interest). Accordingly, a holder could be treated as receiving interest income in advance of a corresponding receipt of cash. Any OID that a holder includes in income will increase the holder's tax basis in its notes. A holder of a CapitalSource Exit Secured Note will not be separately taxed on the receipt of any cash payments with respect to previously taxed OID, but will reduce its tax basis in such notes by the amount of such payments. In general, the Reorganized Debtors' determination of issue price will be binding on all holders, other than a holder that explicitly discloses its inconsistent treatment in a statement attached to its timely filed tax return for the taxable year in which the Effective Date occurs. In compliance with applicable Regulations, the

Reorganized Debtors will furnish annually to the IRS and the indenture trustee of any CapitalSource Exit Secured Note treated as issued with OID information describing the amount of any accrued OID.

2. Sale, Exchange or Other Disposition of the CapitalSource Exit Secured Notes

Unless a non-recognition provision applies, a holder generally will recognize gain or loss upon the sale, exchange or redemption of the CapitalSource Exit Secured Note equal to the difference, if any, between the holder's adjusted tax basis and the amount realized on the sale, exchange or redemption. For this purpose, a holder's adjusted tax basis generally will equal the holder's initial tax basis, increased by the amount of any OID accrued (determined without adjustments) up through the date of the sale, exchange, or redemption, and decreased by the amount of any cash payments (other than qualified stated interest). Subject to the "market discount" rules described in Section XXII.F, any gain or loss generally will be capital gain or loss, and generally should be long-term if the holder's holding period of its note is more than one (1) year at that time.

H. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES TO THE HOLDERS OF NEW COMMON STOCK

Unless a non-recognition provision applies, a holder generally will recognize gain or loss upon the sale, exchange or redemption of the New Common Stock equal to the difference, if any, between the holder's adjusted tax basis and the amount realized on the sale, exchange or redemption. For this purpose, a holder's adjusted tax basis generally will equal the holder's initial tax basis, reduced by any distributions on such stock that were not treated as dividends for federal income tax purposes. Subject to the "market discount" rules described in Section XXII.F, any gain or loss recognized by a holder on the sale, exchange, or other disposition of the New Common Stock generally should be capital gain or loss and should be long-term if the holder's holding period for its stock is more than one (1) year at that time. The use of capital losses is subject to limitations.

I. EXERCISE OF WARRANTS

A holder generally will not recognize gain or loss on the exercise of a warrant. A holder's aggregate tax basis in New Common Stock received upon exercise of a warrant will equal the U.S. holder's tax basis in the warrant at the time of exercise plus the strike price for the warrant. A holder's holding period in the New Common Stock received upon exercise of a Warrant should commence on the day following the exercise of such Warrant.

A holder generally will recognize gain or loss upon the sale, exchange or redemption of warrant equal to the difference, if any, between the holder's adjusted tax basis and the amount realized on the sale, exchange or redemption. Subject to the "market discount" rules described in Section XXII.F above, any gain or loss recognized by a holder on the sale, exchange, or other disposition of a warrant generally should be capital gain or loss and should be long-term if the holder's holding period for the warrant is more than one (1) year at that time. The use of capital losses is subject to limitations.

J. INFORMATION REPORTING AND BACKUP WITHHOLDING

Certain payments, including payments in respect of accrued interest or OID, are generally subject to information reporting by the payer to the IRS. Moreover, such reportable payments are subject to backup withholding in certain circumstances. Under the Tax Code's backup withholding rules, a Holder may be subject to backup withholding at the applicable rate with respect to certain distributions or payments pursuant to the Plan, unless the Holder (a) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates this fact or (b) provides a correct United States taxpayer identification number and certifies under penalty of perjury that the Holder is a U.S. person, the taxpayer identification number is correct and that the Holder is not subject to backup withholding because of a failure to report all dividend and interest income.

Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules may be credited against a Holder's United States federal income tax liability, and a Holder may obtain a refund of any excess amounts withheld under the backup withholding rules by filing an appropriate claim for refund with the IRS.

THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. THE FOREGOING SUMMARY 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 OR EQUITY INTERESTS SHOULD CONSULT WITH THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE TRANSACTION CONTEMPLATED BY THE PLAN, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL OR FOREIGN TAX LAWS, AND OF ANY CHANGE IN APPLICABLE TAX LAWS.

XXIII.

CONCLUSION AND RECOMMENDATION

The Debtors believe the Plan is in the best interests of all creditors and urge the Holders of Class 3, 4 and 5 Claims entitled to vote to accept the Plan and to evidence such acceptance by returning their Ballots so they will be received by the Voting Agent no later than August 31, 2009 at 4:00 p.m. E.D.T.

Dated: August 17, 2009

J.L. French Automotive Castings, Inc.

By: _____
Its: Chief Executive Officer

French Holdings LLC

By: _____
Its: Chief Executive Officer

Allotech International LLC

By: _____
Its: Chief Executive Officer

J.L. French Automotive, LLC

By: _____
Its: Chief Executive Officer

Nelson Metal Products LLC

By: _____
Its: Chief Executive Officer

J.L. French LLC

By: _____
Its: Chief Executive Officer

Central Die, LLC

By: _____
Its: Chief Executive Officer

Prepared by:

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[Proposed] Co-Counsel for the Debtors and Debtors-in-Possession

THE DEBTORS' FIRST AMENDED JOINT PLAN OF REORGANZIATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

EXHIBIT A

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EXHIBIT A

The Debtors' First Amended Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
J.L. FRENCH AUTOMOTIVE CASTINGS, INC.,[1]	)	Case No. 09-12445 (KG)
	)	(Jointly Administered)
	)	
Debtors.	)	
	)	
	)	

THE DEBTORS' FIRST AMENDED JOINT PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

MILBANK, TWEED, HADLEY & McCLOY LLP
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919 North Market Street, 17th Floor
Post Office Box 8705
Wilmington, Delaware 19899-8705
Co-Counsel for the Debtors and Debtors-in-Possession

Dated: August 17, 2009

[1] The Debtors in these cases along with the last four digits of each of the Debtors' federal tax identification numbers are: J.L. French Automotive Castings, Inc., (3670); French Holdings LLC, (0518); Nelson Metal Products LLC (4939); Allotech International LLC (5832); J.L. French LLC (8901); J.L. French Automotive, LLC (7075); Central Die, LLC (7793). The Debtors' headquarters and mailing address is: 3101 South Taylor Drive, Sheboygan, WI 53082.

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THE DEBTORS' FIRST AMENDED JOINT PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

Pursuant to title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.*, the Debtors and Debtors-in-Possession in the above-captioned Chapter 11 Cases propose the following joint plan of reorganization under chapter 11 of the Bankruptcy Code:

ARTICLE I.

DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW

A. *Rules of Interpretation, Computation of Time and Governing Law*

1. For purposes of this Plan and all Plan Documents: (a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and the neuter gender; (b) any reference herein to a contract, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (c) any reference herein to an existing document or exhibit having been Filed or to be Filed shall mean that document or exhibit, as it may thereafter be amended, modified or supplemented; (d) unless otherwise specified, all references herein to "Articles" are references to Articles of this Plan; (e) the words ''herein,'' "hereof" and ''hereto'' refer to the Plan in its entirety rather than to a particular portion of the Plan; (f) captions and headings in Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (g) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; and (h) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be.

2. The provisions of Fed.R.Bankr.P. 9006(a) shall apply in computing any period of time prescribed or allowed hereby.

3. In the event of an inconsistency, the provisions of the Plan shall control over the contents of the Disclosure Statement. In the event of any conflict between the terms and provisions of this Plan and the terms and provisions in the Stockholders Agreement, the Class 4 Series A Warrants, the Class 4 Series B Warrants, the Class 4 Series C Warrants, the CapitalSource Exit Credit Documents, and the DIP Facility Exit Credit Documents, the terms and provisions of the Stockholders Agreement, the Class 4 Series A Warrants, the Class 4 Series B Warrants, the Class 4 Series C Warrants, the CapitalSource Exit Credit Documents, and the DIP Facility Exit Credit Documents, shall control and govern. The provisions of the Confirmation Order shall control over the contents of the Plan and all Plan Documents.

4. All exhibits to the Plan included in the Plan Supplement or Disclosure Statement are incorporated into the Plan and shall be deemed to be included in the Plan, regardless of when they are filed.

5. This Plan is the product of extensive discussions and negotiations between and among, inter alia, the Debtors, the First Lien Term Agent, the First Lien Revolver Agent, the Second Lien Term Agent, Morgan Stanley, most of the automotive manufacturers that are the Debtors' principal customers and certain other creditors and constituencies. Each of the foregoing was represented by counsel who either (a) participated in the formulation and documentation of or (b) was afforded the opportunity to review and provide comments on the Plan and the documents ancillary thereto. Accordingly, unless explicitly indicated otherwise, the general rule of contract construction known as *"contra proferentum"* shall not apply to the construction or interpretation of any provision of this Plan, any of the Plan Documents, or any contract, instrument, release, indenture, or other agreement or document generated in connection herewith.

B. *Proponents of Plan*

The Debtors are proposing the Plan. Article III contains the classification and treatment of Claims against and Equity Interests in the Debtors.

C. *Substantive Consolidation*

The Plan is premised upon substantively consolidating certain of the Debtors as set forth herein for the limited purposes of confirming and consummating the Plan, including but not limited to voting, confirmation and distribution.

The Debtors believe that the limited substantive consolidation is legally justified, is in the best interest of the Debtors' estates and will promote a more expeditious and streamlined distribution and recovery process for all creditors. The proposed substantive consolidation will not affect any liens or other security interests held by any prepetition secured creditors.

The Plan shall serve as a motion seeking approval of the substantive consolidation provided herein. Unless an objection to substantive consolidation is made in writing by any Creditor on or before the Plan Objection Deadline, the Substantive Consolidation Order may be entered by the Bankruptcy Court (which order may be the Confirmation Order). In the event any such objections are timely Filed, a hearing with respect thereto shall be scheduled by the Bankruptcy Court, which hearing may, but need not, coincide with the Confirmation Hearing.

D. *Defined Terms*

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

1. "*Accrued Professional Compensation*" means, at any given moment, all accrued and/or unpaid fees and expenses (including, but not limited to, success fees and Allowed Professional Compensation) for legal, financial advisory, accounting and other services and reimbursement of expenses that are awardable and allowable under sections 328, 330(a) or 331 of the Bankruptcy Code or otherwise rendered prior to the Confirmation Date by all Retained Professionals in the Chapter 11 Cases that the Bankruptcy Court has not denied by a Final Order, to the extent that any such fees and expenses have not been previously paid regardless of whether a fee application has been filed for any such amount. To the extent that the Bankruptcy Court or any higher court denies by a Final Order any amount of a Retained Professional's fees or expenses, then those amounts shall no longer be Accrued Professional Compensation.

2. "*Administrative Claim*" means a Claim for costs and expenses of administration under sections 503(b), 507(b) or 1114(e)(2) of the Bankruptcy Code, including, but not limited to: (a) the actual and necessary costs and expenses incurred after the Petition Date of preserving the Estates and operating the businesses of the Debtors (such as wages, salaries or commissions for services and payments for goods and other services and leased premises); (b) Allowed Professional Compensation; (c) First Lien Professional Fees and First Lien Agents' Fees; (d) all fees and charges assessed against the Estates under chapter 123 of title 28 United States Code, 28 U.S.C. §§ 1911 1930; (e) all requests for compensation or expense reimbursements for making a substantial contribution in the Chapter 11 Cases pursuant to sections 503(b)(3), (4), and (5) of the Bankruptcy Code and (f) the Second Lien Agents' Fees (including the Second Lien Professional Fees up to an aggregate amount not to exceed the Second Lien Fee Cap).

3. *"Adverse or Disproportionate Effect or Modification"* has the meaning set forth in Article XII.A. hereof.

4. "*Affiliate*" has the meaning set forth at section 101(2) of the Bankruptcy Code.

5. "*Allowed Professional Compensation*" means all Accrued Professional Compensation allowed or awarded by a Final Order of the Bankruptcy Court or any other court of competent jurisdiction.

6. "*Allowed ... Claim*" means an Allowed Claim in the particular Class described.

7. "*Allowed*" means, with respect to any Claim or Equity Interest, except as otherwise provided herein: (a) a Claim or Equity Interest that has been scheduled by the Debtors in their schedules of liabilities as other than disputed, contingent or unliquidated and as to which Debtors or other party in interest has not Filed an objection by the Claims Objection Bar Date; (b) a Claim or Equity Interest that either is not a Disputed Claim or Disputed Equity Interest or has been allowed by a Final Order; (c) a Claim or Equity Interest that is allowed: (i) in any stipulation of amount and nature of Claim executed prior to the Confirmation Date and approved by the Bankruptcy Court; (ii) in any stipulation with Debtors or Reorganized Debtors of amount and nature of Claim or Equity Interest executed on or after the Confirmation Date; (iii) in or pursuant to any contract, instrument, indenture or other agreement entered into or assumed in connection herewith; or (iv) pursuant to the terms hereof; (d) a Claim or Equity Interest relating to a rejected executory contract or unexpired lease that either (i) is not a Disputed Claim or Equity Interest or (ii) has been allowed by a Final Order, in either case only if a proof of Claim or Equity Interest has been Filed by the applicable bar date or has otherwise been deemed timely Filed under applicable law; or (e) a Disputed Claim as to which a proof of claim has been timely filed and as to which no objection has been filed by the Claims Objection Bar Date.

8. "*Ballots*" mean the ballots accompanying the Disclosure Statement upon which Holders of Impaired Claims entitled to vote shall indicate their acceptance or rejection of the Plan in accordance with the Plan and the Voting Instructions.

9. "*Bankruptcy Code*" means title I of the Bankruptcy Reform Act of 1978, as amended from time to time, as set forth in sections 101 et seq. of title 11 of the United States Code, and applicable portions of titles 18 and 28 of the United States Code.

10. "*Bankruptcy Court*" means the United States District Court for the District of Delaware, having jurisdiction over the Chapter 11 Cases and, to the extent of any reference made pursuant to section 157 of title 28 of the United States Code and/or the General Order of the District Court pursuant to section 151 of title 28 of the United States Code, the United States Bankruptcy Court for the District of Delaware.

11. "*Bankruptcy Rules*" means the Federal Rules of Bankruptcy Procedure, as amended from time to time, as applicable to the Chapter 11 Cases, promulgated under 28 U.S.C. § 2075 and the General, Local and Chambers Rules of the Bankruptcy Court.

12. "*Business Day*" means any day, other than a Saturday, Sunday or "legal holiday" (as defined in Fed.R.Bankr.P. 9006(a)).

13. "*CapitalSource Exit Credit Documents*" means the CapitalSource Exit Secured Note, the credit agreement, pledge and security agreement, guarantees and other agreements and documents that collectively set forth the terms of, guaranties of and security for the CapitalSource Exit Secured Note and the collateral securing same. The principal CapitalSource Exit Credit Documents shall be in substantially the form included in the Plan Supplement, and to the extent not included in the Plan Supplement, shall be substantially the same as the corresponding First Lien Documents as in effect on the Petition Date.

14. *"CapitalSource Exit Secured Note"* means the secured grid promissory note delivered to CapitalSource Finance LLC in full satisfaction of the Class 3 Claims of the First Lien Revolver Lender, which shall be substantially in the form attached to the Plan Supplement.

15. "*Cash*" means legal tender of the United States of America or the equivalent thereof, including bank deposits, checks, or equivalents of Cash in the form of readily marketable securities or instruments issued by a Person or Entity, including, without limitation, readily marketable direct obligations of, or obligations guaranteed by, the United States of America, commercial paper of domestic corporations carrying a Moody's rating of "A" or better, or equivalent rating of any other nationally recognized rating service, or interest bearing certificates of deposit or other similar obligations of domestic banks or other financial institutions having a shareholders' equity or capital of not less than one hundred million dollars ($100,000,000) having maturities of not more than one (1) year, at the then best generally available rates of interest for like amounts and like periods.

16. "*Causes of Action*" means all claims, actions, causes of action, choses in action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements,

promises, variances, trespasses, damages, judgments, remedies, rights of set-off, third-party claims, subrogation claims, contribution claims, reimbursement claims, indemnity claims, counterclaims, and crossclaims (including, but not limited to, all avoidance, recovery, subordination or other actions or remedies that may be brought on behalf of the Debtors or their estates under sections 510, 542, 543, 544, 545, 547, 548, 549, 550, 551, 552 and 553 of the Bankruptcy Code) of any of the Debtors, the Debtors-in-Possession, and/or the Estates (including, but not limited to, those actions set forth in the Plan Supplement) that are or may be pending on the Effective Date or may be instituted by the applicable Debtors prior to the Effective Date or by the applicable Reorganized Debtor(s) after the Effective Date against any Person or Entity, based in law or equity, including, but not limited to, under the Bankruptcy Code, whether direct, indirect, derivative, or otherwise and whether asserted or unasserted as of the date of entry of the Confirmation Order.

17. "*Chapter 11 Cases*" means cases commenced when the Debtors each filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code on the Petition Date, with the following case numbers: 09-12445(KG); 09-12446(KG), 09-12447(KG), 09-12448(KG), 09-12449(KG), 09-12450(KG), 09-12451(KG) administered under case number 09-12445(KG).

18. "C*laim*" means a "claim" (as defined in section 101(a)(5) of the Bankruptcy Code) against a Debtor, including, but limited to: (a) any right to payment from a Debtor whether or not any such right is reduced to judgment, liquidated, unliquidated, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (b) any right to an equitable remedy for breach of performance if such performance gives rise to a right of payment from a Debtor, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

19. "*Claims Objection Bar Date*" means the bar date for objecting to proofs of claim, which date shall be set by order of the Bankruptcy Court, provided that the Debtors and/or the Reorganized Debtors may seek additional extensions of this date from the Bankruptcy Court.

20. "*Class 4 Series A Warrants*" means the warrants to acquire the Class 4 Series A Warrants Shares that are exercisable at the Series A Warrants Strike Price, which warrants shall have an exercise period commencing on the Effective Date and expiring on the fifth anniversary thereof; *provided further*, that, in the event that any change of control transaction involving the Reorganized Debtors is consummated (x) prior to the expiration date of the Class 4 Series A Warrants, and (y) at a valuation that equates, on a per share of common stock of Reorganized J.L. French Automotive Castings, Inc. basis, to less than the exercise price of the Class 4 Series A Warrants (on a per warrant basis), the holders of Class 4 Series A Warrants will be entitled to a cash payment upon the consummation of such change-in-control transaction in an amount equal to a "Black-Scholes" valuation of such Class 4 Series A Warrants, as calculated pursuant to the terms of such Class 4 Series A Warrants.

21. "*Class 4 Series B Warrants*" means the warrants to acquire the Class 4 Series B Warrants Shares that are exercisable at the Series B Warrants Strike Price, which warrants shall have an exercise period commencing on the Effective Date and expiring on the fifth anniversary thereof; *provided further*, that, in the event that any change of control transaction involving the Reorganized Debtors is consummated (x) prior to the expiration date of the Class 4 Series B Warrants, and (y) at a valuation that equates, on a per share of common stock of Reorganized J.L. French Automotive Castings, Inc. basis, to less than the exercise price of the Class 4 Series B Warrants (on a per warrant basis), the holders of Class 4 Series B Warrants will be entitled to a cash payment upon the consummation of such change-in-control transaction in an amount equal to a "Black-Scholes" valuation of such Class 4 Series B Warrants, as calculated pursuant to the terms of such Class 4 Series B Warrants.

22. "*Class 4 Series C Warrants*" means the warrants to acquire the *Class 4* Series C Warrants Shares that are exercisable at the Series C Warrants Strike Price, which warrants shall have an exercise period commencing on the Effective Date and expiring on the fifth anniversary thereof.

23. "*Class 4 Series A Warrants Shares*" means the number of shares of New Common Stock equal to 5% of the number of Distribution Shares.

24. "*Class 4 Series B Warrants Shares*" means the number of shares of New Common Stock equal to 5% of the number of Distribution Shares.

25. "*Class 4 Series C Warrants Shares*" means the number of shares of New Common Stock equal to 5% of the number of Distribution Shares.

26. *"Class 4 Warrants*" means the Class 4 Series A Warrants, Class 4 Series B Warrants and Class 4 Series C Warrants.

27. "*Class 5 Recovery*" means $120,000 in Cash to be set aside by the Debtors for the payment of the aggregate of Allowed Class 5 Claims.

28. "*Class*" means a category of Holders of Claims or Equity Interests as set forth in Article III pursuant to section 1122(a) of the Bankruptcy Code.

29. "*Committee Professionals*" means the professionals engaged by the Committee at the expense of the Estates pursuant to order of the Bankruptcy Court.

30. "*Committee*" means the official committee of unsecured creditors, if appointed by the U.S. Trustee, comprising the Committee Members.

31. "*Committee Members*" means the members of the Committee.

32. "*Common Equity Interest*" means any common Equity Interest in a Debtor that existed immediately prior to the Petition Date, including, but not limited to, all issued, unissued, authorized or outstanding shares of common stock, together with any warrants, options or legal, contractual or equitable rights to purchase or acquire such interests at any time.

33. "*Confirmation Date*" means the date upon which the Confirmation Order is entered by the Bankruptcy Court in its docket, within the meaning of Fed.R.Bankr.P. 5003 and 9021.

34. "*Confirmation Hearing*" means the hearing at which the Bankruptcy Court considers whether to confirm the Plan pursuant to section 1129 of the Bankruptcy Code.

35. "*Confirmation Order*" means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code that shall be in form and substance satisfactory to the Debtors and the Requisite Supporting First Lien Lenders.

36. "*Confirmation*" means the entry of the Confirmation Order, subject to all conditions specified in Article IX.A having been: (a) satisfied; or (b) waived pursuant to Article IX.C.

37. *"Consent Agreement"* means the prepetition Restructuring Lock-Up Agreement By and Among J.L. French Automotive Castings, Inc. the JLF Subsidiaries, the Supporting Lenders and the Additional Supporting Creditors, entered into among the Debtors, the First Loan Term Lenders, Second Lien Lenders and certain other creditors of the Debtors, a copy of which was filed in the docket of the Chapter 11 Cases on July 15, 2009, as docket no. 103.

38. "*Consummation*" means the occurrence of the Effective Date.

39. "*Creditor*" means any Holder of a Claim.

40. "*Debtor*" means one of the Debtors, in its individual capacity as a debtor in these Chapter 11 Cases.

41. "*Debtor-in-Possession*" means one of the Debtors-in-Possession, in its individual capacity, as debtor-in-possession in these Chapter 11 Cases.

42. "*Debtor Release*" means the release of the Debtor Releasees set forth in Article X.B.

43. "*Debtor Releasees*" means, collectively, the Debtors, the Reorganized Debtors and the Third Party Releasees, and each of their respective current and former members, officers, directors, agents, financial advisors,

attorneys, employees, partners, Affiliates and representatives, to the extent that none are included in the definition of Non-Released Parties.

44. "*Debtors*" means, collectively, J.L. French Automotive Castings, Inc., Nelson Metal Products LLC, Allotech International LLC, J.L. French Automotive, LLC, French Holdings LLC, J.L. French LLC and Central Die, LLC.

45. "*Debtors-in-Possession*" means, collectively, the Debtors, as debtors-in-possession in these Chapter 11 Cases.

46. "*DIP Agent*" means Wilmington Trust FSB, in its capacity as agent for the DIP Lenders, and any successor agent therefore appointed pursuant to the DIP Loan Credit Agreement.

47. "*DIP Collateral Documents*" means the DIP Pledge and Security Agreement and all similar agreements entered into guaranteeing payment of, or granting a lien upon property as security for payment of, the obligations of the Debtors under the DIP Facility.

48. "*DIP Collateral*" means the property covered by the DIP Collateral Documents and any other property, real or personal, tangible or intangible, now existing or hereafter acquired, that may at any time be or become subject to a security interest or lien in favor of DIP Agent, on behalf of itself and DIP Lenders, to secure the obligations of the Debtors under the DIP Facility.

49. "*DIP Facility*" means that certain $15 million debtor-in-possession credit facility entered into pursuant to the DIP Loan Credit Agreement and approved by the Bankruptcy Court pursuant to the Final DIP Order.

50. "*DIP Facility Claims*" means all actual and contingent obligations, indebtedness and obligations under the DIP Facility as of the Effective Date, including (x) all "Obligations" as defined in the DIP Loan Credit Agreement (including all actual and contingent indemnification and expense reimbursement obligations) and (y) all unfunded commitments under the DIP Facility.

51. "*DIP Facility Exit Credit Documents*" means the DIP Facility Exit Secured Note, the credit agreement, pledge and security agreement, guarantees and other agreements and documents that collectively set forth the terms of the DIP Facility Claims as assumed by the Reorganized Debtors and the collateral securing same.

52. *"DIP Facility Exit Secured Note"* means the secured promissory note, delivered by the Reorganized J.L. French Automotive Castings, Inc. to the DIP Lenders in the maximum principal amount equal to $15 million.

53. "*DIP Lenders*" means those financial institutions party to the DIP Loan Credit Agreement and identified as "Lenders" on the signature pages of the DIP Loan Credit Agreement, and all permitted assigns, transferees and successors-in-interest thereto.

54. "*DIP Loan Credit Agreement*" means that certain *Senior Secured Super-Priority Debtor-In-Possession Credit and Guaranty Agreement* dated July 14, 2009, among the Debtors, the DIP Lenders and the DIP Agent, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

55. "*DIP Pledge and Security Agreement*" means that certain *Debtor-In-Possession Pledge and Security Agreement* dated July 14, 2009, by and among the Debtors and the DIP Agent, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

56. "*Disbursing Agent*" means any Entity (including any Debtor) that acts in the capacity as a disbursing agent under the Plan.

57. "*Disclosure Statement*" means the *Disclosure Statement for the Debtors' First Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* dated July 27, 2009, as amended, supplemented, or modified from time to time, describing the Plan, that is prepared and distributed in accordance with the Bankruptcy Code, Bankruptcy Rules, and any other applicable law.

58. "*Disclosure Statement Hearing*" means that certain hearing at which the Bankruptcy Court will consider approval of the Disclosure Statement.

59. "*Disclosure Statement Order*" means the order approving the Disclosure Statement and approving the related balloting and solicitation procedures.

60. "*Disputed*" means, with respect to any Claim or Equity Interest, any Claim or Equity Interest: (a) listed on the Schedules as unliquidated, disputed or contingent, unless a proof of Claim has been timely filed; (b) as to which a Debtor or Reorganized Debtor or any other party in interest has interposed a timely objection or request for estimation in accordance with the Bankruptcy Code and the Bankruptcy Rules; or (c) is otherwise disputed by a Debtor or Reorganized Debtor or any other party in interest in accordance with applicable law, which objection, request for estimation or dispute has not been withdrawn or determined by a Final Order.

61. "*Distribution Record Date*" means the record date for purposes of making any distribution under the Plan on account of Allowed Claims and Equity Interests, which shall be the Confirmation Date or other such date prior to the Effective Date as may be designated in the Confirmation Order.

62. "*Distribution Shares*" means the approximately one million shares of New Common Stock to be issued on the Effective Date and distributed to Holders of Allowed First Lien Claims and Holders of Allowed Second Lien Claims pursuant to the Plan.

63. "*Effective Date*" means the date selected by the Debtors and the First Lien Term Agent that is a Business Day after the Confirmation Date on which: (a) no stay of the Confirmation Order is in effect; and (b) all conditions specified in Article IX.B. have been (i) satisfied or (ii) waived pursuant to Article IX.C.

64. "*Entity*" means an entity as defined in section 101(15) of the Bankruptcy Code.

65. "*Equity Interest*" means any equity interest in any of the Debtors that existed immediately prior to the Petition Date, including, but not limited to, any Common Equity Interest, any Preferred Equity Interest and all other issued, unissued, authorized or outstanding shares or stock (including common stock or preferred stock), together with any warrants, options or contract rights to purchase or acquire such interest at any time.

66. "*Estate*" means the estate of a Debtor created on the Petition Date by section 541 of the Bankruptcy Code.

67. "*Estimated Allowed Administrative Claims*" means the estimate of outstanding Allowed Administrative Claims on the Effective Date, which estimate is set forth in the Disclosure Statement.

68. "*Estimated Allowed DIP Facility Claims*" means the estimate of outstanding DIP Facility Claims on the Effective Date, which estimate is set forth in the Disclosure Statement.

69. "*Exculpated Parties*" means (a) the Debtors, (b) the Reorganized Debtors, (c) the Third Party Releasees, and (d) all of the officers, directors, employees, members, managed funds, investment advisors, attorneys, actuaries, financial advisors, accountants, investment bankers, agents, professionals and representatives of each of the foregoing Persons and Entities (whether current or former, and in each case in his, her or its capacity as such); *provided*, *however*, that all Non-Released Parties shall be excluded.

70. "*Exculpation*" means the exculpation provision set forth in Article X.D.

71. "*Exit Costs*" means the amount on the Effective Date equal to the sum of the unpaid Allowed Administrative Claims (including, but not limited to, any Accrued Professional Compensation remaining unpaid as of the Effective Date), Priority Tax Claims, Other Priority Claims, Other Secured Claims and $120,000.

72. "*File*" or "*Filed*" means file or filed with the Bankruptcy Court in these Chapter 11 Cases.

73. "*Final Decree*" means the decree contemplated in Fed.R.Bankr.P. 3022.

74. "*Final DIP Order*" means that certain *Final Order Pursuant To 11 U.S.C. §§ 105, 361, 362, 363 and 364 And Federal Rule of Bankruptcy Procedure 4001: (I) Authorizing Debtors to Obtain Postpetition Financing on a Secured, Superpriority Priming Basis; (II) Authorizing Debtors' Use of Cash Collateral; (III) Granting Adequate Protection to Prepetition Secured Parties; and (IV) Scheduling a Final Hearing*, entered by the Bankruptcy Court.

75. "*Final Order*" means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction with respect to the subject matter, which has not been reversed, stayed, modified or amended, and as to which the time to appeal, petition for certiorari or move for reargument or rehearing has expired and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or has otherwise been dismissed with prejudice.

76. "*First Lien Agents*" means the First Lien Revolving Agent, the First Lien Collateral Agent and the First Lien Term Agent.

77. "*First Lien Agents' Fees*" means any and all fees, costs and expenses of the First Lien Agents under the First Lien Facility incurred after the Petition Date.

78. "*First Lien Claim*" means any Claim arising from or based upon the First Lien Obligations.

79. "*First Lien Collateral Agent*" means Wilmington Trust FSB.

80. "*First Lien Documents*" means all instruments, security agreements, guaranties, intercreditor agreements and other documents executed in connection with the First Lien Facility, including without limitation all Loan Documents as that term is used in the First Lien Facility.

81. "*First Lien Facility*" means that certain *Amended and Restated First Lien Credit and Guaranty Agreement* dated May 14, 2007, and amended and restated as of July 12, 2009, by and among J.L. French Automotive Castings, Inc., as borrower, certain subsidiaries of J.L. French Automotive Castings, Inc. as guarantors, the First Lien Lenders and the First Lien Agents, as amended, restated, supplemented or otherwise modified from time to time through the Petition Date.

82. "*First Lien Lenders*" means the First Lien Revolving Lender and the First Lien Term Lenders.

83. "*First Lien Obligations*" means all obligations, liabilities and indebtedness of every nature of each of the Debtors arising under or in connection with the First Lien Facility or any of the other First Lien Documents, including the principal amount of all debts, claims and indebtedness (including reimbursement obligations in respect of drawn under letters of credit), accrued and unpaid interest and all fees, costs and expenses. The term "First Lien Obligations" shall include all "Obligations" as defined in the First Lien Facility.

84. "*First Lien Pledge and Security Agreement*" means that certain First Lien *Pledge and Security Agreement* dated May 14, 2007, by and among J.L. French Automotive Castings, Inc., as grantor, certain subsidiaries of J.L. French Automotive Castings, Inc. as guarantors, various lenders and the First Lien Revolving Agent, as the collateral agent, as amended, amended and restated, supplemented or otherwise modified from time to time through the Petition Date.

85. "*First Lien Professional Fees*" means the fees (including success fees) and expenses of (i) Hahn & Hessen LLP, Carson Fisher and Rosenthal, Monhait & Goddess, P.A. as legal advisors to the First Lien Revolving Agent, and Capstone Advisory Group LLC and Donnelly Penman & Partners as financial advisors to the First Lien Revolving Agent and (ii) Latham & Watkins LLP as legal advisor to the First Lien Term Agent, and Huron Consulting Group as financial advisor to the First Lien Term Agent.

86. "*First Lien Revolving Agent*" means CapitalSource Bank, a California industrial bank.

87. "*First Lien Revolving Claim* " means any Claim of the First Lien Revolving Lender arising from or based upon the First Lien Obligations.

88. "*First Lien Revolving Lender*" means CapitalSource Bank, a California industrial bank.

89. "*First Lien Term Claim"* means any Claim of a First Lien Term Lender arising from or based upon the First Lien Obligations.

90. "*First Lien Term Lender Steering Committee*" means the steering committee for the First Lien Term Lenders.

91. "*First Lien Term Lender Steering Committee Co-Heads*" means the two co-heads of the First Lien Term Lender Steering Committee (namely, Monarch Master Funding Ltd. and those First Lien Term Lenders that are managed and/or advised by DDJ Capital Management, LLC).

92. "*First Lien Term Lender Steering Committee Members*" means the members of the First Lien Term Lender Steering Committee.

93. "*First Lien Term Agent*" means Wilmington Trust FSB, as administrative agent for the First Lien Term Lenders under the First Lien Facility.

94. "*First Lien Term Lenders*" means those financial institutions with term loan commitments outstanding pursuant to the First Lien Facility, and all permitted assigns, transferees and successors-in-interest thereto.

95. "*General Unsecured Claim*" means any Claim against any Debtor that is not: an Administrative Claim; DIP Facility Claim; Priority Tax Claim; Other Priority Claim; Other Secured Claim; First Lien Claim; Second Lien Claim; Claim of a Specified OEM; or Equity Interest.

96. "*Holder*" means a Person or Entity holding an Equity Interest or Claim.

97. "*Impaired Claim*" means a Claim classified in an Impaired Class.

98. "*Impaired Class*" means each of Classes 3, 4, 5, 6 and 7 as set forth in Article III.

99. "*Impaired*" means, with respect to any Class of Claims or Equity Interests, any Claims or Equity Interests that will not be paid in full upon consummation of the Plan or will be otherwise changed by the reorganization effectuated hereby.

100. "*Indemnified Parties*" means, collectively, the Debtors, the Reorganized Debtors, and each of their respective current and former members, officers, directors, agents, financial advisors, attorneys, employees, partners and representatives.

101. *"Initial Plan"* means the form of the Plan annexed to the Consent Agreement.

102. *"Intercompany Claims*" means the Claims as set forth in the Plan Supplement, held by: (a) a Debtor against any non-Debtor direct or indirect subsidiary of any Debtor; or (b) a non-Debtor direct or indirect subsidiary of any Debtor against any Debtor.

103. "*Interest Rate Swap Agreements*" means the interest rate swap transactions reflected by the three Confirmations dated July 19, 2006 and the ISDA 2002 Master Agreement dated July 13, 2006, entered into by and between J.L. French Automotive Castings, Inc. and Morgan Stanley, and all ancillary documents and notices entered into or otherwise delivered in connection therewith.

104. "*Interest Rate Swap Claims*" means the Claims of Morgan Stanley, in the aggregate approximate amount of $15 million as of the Petition Date, arising from or based upon the Interest Rate Swap Agreements.

105. "*Lien*" has the meaning set forth in section 101(37) of the Bankruptcy Code.

106. "*Management Incentive Program*" means a Management Incentive Program on the terms and conditions determined by the board of directors of Reorganized J.L. French Automotive Castings, Inc., as authorized

by and pursuant to the New Organizational Documents of Reorganized J.L. French Automotive Castings, Inc.; *provided that* the terms and conditions of that Management Incentive Program shall have been agreed to by the New Board following the Effective Date. The New Organizational Documents shall explicitly authorize, but not require, the New Board to issue the Maximum Authorized Management Incentive Program Shares of New Common Stock for the Management Incentive Program.

107. "*Maximum Authorized Management Incentive Program Shares*" means the number of shares of New Common Stock equaling up to 10% of the New Common Stock following the issuance and distribution of any such shares pursuant to the Management Incentive Program.

108. *"Morgan Stanley"* means Morgan Stanley Capital Services, Inc.

109. *"Morgan Stanley Exit Swap"* means the unsecured interest rate swap transaction entered into by and between J.L. French Automotive Castings, Inc. and Morgan Stanley on the Effective Date, evidenced by an ISDA 2002 Master Agreement, together with a related schedule and confirmation (the forms of which shall be included in the Plan Supplement).

110. "*New Board*" means, as of the Effective Date, the initial board of directors of Reorganized J.L. French Automotive Castings, Inc., which shall be comprised of seven (7) members including: (i) the Chief Executive Officer of Reorganized J.L. French Automotive Castings, Inc.; (ii) two (2) directors, one of whom shall be designated by Monarch Master Funding Ltd. and the other of whom shall be designated by DDJ Capital Management LLC, and (iii) four (4) independent directors acceptable to a majority of the First Lien Term Lenders.

111. "*New Common Stock*" means the common stock of Reorganized J.L. French Automotive Castings, Inc., comprising: (a) the Distribution Shares; (b) any shares of New Common Stock to be issued pursuant to the Management Incentive Program; and (c) any shares of New Common Stock issued upon the exercise of the Warrants.

112. *"New Intercreditor Agreement"* means the intercreditor agreement, entered into by (a) the agent for and/or the holder of the CapitalSource Exit Secured Note, on the one hand, and (b) the agent for and/or the holders of the DIP Facility Exit Credit Secured Note or the Third Party Exit Secured Note, as the case may be, a copy of which shall be included in the Plan Supplement.

113. "*New Organizational Documents*" means the new certificates of incorporation, certificates of organization or limited liability company certificates to be filed by the Reorganized Debtors in their respective states of organization, the Stockholders' Agreement, the Warrant Agreements, and any other corporate, constituent or organizational documents that may be necessary or appropriate to file in connection with the incorporation of the Reorganized Debtors.

114. "*Non-Released Parties*" means: (a) the Persons and Entities named on a schedule to the Plan Supplement as Non-Relased Parties; (b) each Holder of a Claim that objects to confirmation of the Plan; (c) each Holder of a Claim entitled to vote to accept or reject the Plan who does not vote to accept the Plan; and (d) the respective current and former members, officers, directors, managed funds, investment advisors, agents, financial advisors, attorneys, employees, partners, Affiliates and representatives (each of the foregoing solely in its individual capacity as such) of the Persons and Entities described in clauses (a), (b) and (c) hereof.

115. "*OEM*" means, individually, each of Ford Motor Company, General Motors Corporation, Chrysler, LLC and Magna International, Inc.

116. "*OEMs*" means, individually and collectively, Ford Motor Company, General Motors Corporation, Chrysler LLC and Magna International, Inc., and their respective successors and assigns.

117. "*OEM Agreement*" means the purchase orders and related agreements between one or more of the Debtors and an OEM, that (i) was entered into prior to and were in effect as of the Petition Date, or (ii) was entered into prior to and are in effect as of the Effective Date.

118. *"OEM Claims"* means the Claims of the OEMs under the OEM Agreements.

119. "*OEM Consensually Modified Agreement*" means an OEM Agreement, as modified or amended by agreement between the applicable Specified OEM and the applicable Debtors, and which shall become legally binding and effective on the Effective Date. The OEM Consensually Modified Agreements shall be in form and substance acceptable to the: (i) Requisite Supporting First Lien Lenders; and (ii) the Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification.

120. "*Other Priority Claim*" means any Claim accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than a Priority Tax Claim or Administrative Claim.

121. "*Other Secured Claim*" means any Secured Claim against the Debtors not specifically described herein, *provided*, *however*, that Other Secured Claims shall not include any Secured Claims specifically classified in a Class other than Class 2 (such as the First Lien Claims or Second Lien Claims).

122. "*Person*" means a person as defined in section 101(41) of the Bankruptcy Code.

123. "*Petition Date*" means July 13, 2009.

124. "*Plan*" means this joint plan of reorganization under chapter 11 of the Bankruptcy Code, either in its present form or as it may be altered, amended, modified or supplemented from time to time in accordance with the Bankruptcy Code, the Bankruptcy Rules or herewith, as the case may be, and the Plan Supplement, which is incorporated herein by reference.

125. "*Plan Documents*" means the agreements, instruments and documents to be executed, delivered and/or performed in conjunction with the Consummation of the Plan, including without limitation, (a) the New Organizational Documents, (b) the CapitalSource Exit Credit Documents, (c) the DIP Facility Exit Credit Documents or Third Party Exit Credit Documents as the case may be, (d) the Disclosure Statement, (e) the documents included in the Plan Supplement, and (f) all other documents distributed in connection with the solicitation of votes to accept or reject the Plan.

126. "*Plan Supplement*" means the compilation of documents and forms of documents, schedules and exhibits to be distributed to creditors voting on the Plan, which will be filed with the Bankruptcy Court, and which shall be deemed for all purposes exhibits to, and incorporated by reference into the Plan, and which will include: (a) the lists of retained Causes of Action and Non-Released Parties; (b) the list of Intercompany Claims; (c) the list of rejected executory contracts and rejected unexpired non-residential real property leases; (d) the CapitalSource Exit Secured Note and other Principal CapitalSource Exit Credit Documents; (e) the Stockholders' Agreement; (f) the Warrant Agreements; (g) the Reorganized J.L. French Automotive Castings, Inc. By Laws; (h) the New Intercreditor Agreement; and (i) the Morgan Stanley Exit Swap and related documentation; provided that all documents and forms of documents, schedules and exhibits that comprise the Plan Supplement shall be in form and substance satisfactory to the: (i) Requisite Supporting First Lien Lenders; and (ii) Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification. Notwithstanding anything to the contrary herein, any agreement or document constituting part of the Plan Supplement may be amended, supplemented or otherwise modified in accordance with the terms of such agreement or document at any time after the Effective Date has occurred and such agreement or document has become effective.

127. "*Preference Action*" means any investigation into, litigation regarding or other attempt to recover payments or assets pursuant to section 547 of the Bankruptcy Code.

128. "*Preferred Equity Interest*" means any preferred Equity Interest in a Debtor that existed immediately prior to the Petition Date, including, but not limited to, all issued, unissued, authorized or outstanding shares of preferred stock, together with any warrants, options or legal, contractual or equitable rights to purchase or acquire such interests.

129. "*Prepetition Collateral Documents*" means the First Lien Pledge and Security Agreement, the Second Lien Pledge and Security Agreement, the Prepetition Intercreditor Agreement, and all other instruments, documents and agreements delivered by any credit party pursuant to the First Lien Facility or Second Lien Facility

in order to grant to First Lien Agents or Second Lien Agents, for the benefit of lenders under the First Lien Facility or Second Lien Facility, a liens on and security interests in any real, personal or mixed property of that credit party as security for all or part of the obligations of the Debtors under the First Lien Facility and Second Lien Facility.

130. "*Prepetition Collateral*" means, collectively, all of the real, personal and mixed property (including capital stock) in which liens and security interests in favor of the First Lien Agents or Second Lien Agents are granted pursuant to the Prepetition Collateral Documents as security for all or part of the obligations of the Debtors under the First Lien Facility and Second Lien Facility.

131. *"Prepetition Intercreditor Agreement"* means that certain Intercreditor Agreement dated May 14, 2007, by and among CapitalSource Finance LLC, as collateral agent for the Holders of First Lien Obligations, and Goldman Sachs Credit Partners L.P., as collateral agent for Holders of Second Lien Obligations, as amended, supplemented or otherwise modified from time to time through the Petition Date.

132. "*Priority Tax Claim*" means a Claim of a governmental unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

133. "*Pro Rata*" means, in reference to distributions under the Plan, the proportion that an Allowed Claim in a particular Class bears to the aggregate amount of Allowed Claims in that Class.

134. "*Professional Fee Claims*" means any Claim of a Retained Professional, for compensation, indemnification or reimbursement of costs and expenses relating to services performed on and after the Petition Date through and including the Effective Date.

135. "*Releasing Parties*" means the First Lien Agents, First Lien Lenders, DIP Agent, DIP Lenders, Second Lien Agents, Second Lien Lenders, the First Lien Term Lender Steering Committee, the First Lien Term Lender Steering Committee Members, the First Lien Term Lender Steering Committee Co-Heads, the Committee, Committee Members, and Holders of Claims voting to accept the Plan (in the case of each of the foregoing persons and entities, solely in their aforementioned capacities and not in any other capacities); except, however, that the Releasing Parties do not include the Non-Released Parties.

136. "*Reorganized Allotech International LLC*" means, on and after the Effective Date, Allotech International LLC, which is organized as a limited liability company under the laws of the state of Wisconsin.

137. "*Reorganized Central Die, LLC*" means, on and after the Effective Date, Central Die, LLC, which is organized as a limited liability company under the laws of the state of Wisconsin

138. "*Reorganized Debtor*" means, individually, on and after the Effective Date, one of the Reorganized Debtors.

139. "*Reorganized Debtors*" means, collectively, on and after the Effective Date, Reorganized J.L. French Automotive Castings, Inc., Reorganized Nelson Metal Products LLC, Reorganized Allotech International LLC, Reorganized J.L. French Automotive, LLC, Reorganized French Holdings LLC, Reorganized J.L. French LLC and Reorganized Central Die, LLC.

140. "*Reorganized French Holdings LLC*" means, on and after the Effective Date, French Holdings LLC, which is organized as a limited liability company under the laws of the state of Delaware.

141. "*Reorganized J.L. French Automotive Castings, Inc. By-Laws*" means the by-laws of Reorganized J.L. French Automotive Castings, Inc., which shall be included in the Plan Supplement.

142. "*Reorganized J.L. French Automotive Castings, Inc. Certificate of Incorporation*" means the certificate of incorporation of Reorganized J.L. French Automotive Castings, Inc.

143. "*Reorganized J.L. French Automotive Castings, Inc.*" means, on and after the Effective Date, J.L. French Automotive Castings, Inc., which is organized as a corporation under the laws of the state of Delaware.

144. "*Reorganized J.L. French Automotive, LLC*" means, on and after the Effective Date, J.L. French Automotive, LLC, which is organized as a limited liability company under the laws of the state of Michigan.

145. "*Reorganized J.L. French LLC*" means, on and after the Effective Date, J.L. French LLC, which is organized as a limited liability company under the laws of the state of Wisconsin.

146. "*Reorganized Nelson Metal Products LLC*" means, on and after the Effective Date, Nelson Metal Products LLC, which is organized as a limited liability company under the laws of the state of Delaware.

147. "*Requisite Supporting First Lien Lenders*" shall have the meaning ascribed to it in the Consent Agreement.

148. "*Requisite Supporting Second Lien Lenders*" shall have the meaning ascribed to it in the Consent Agreement.

149. "*Retained Professional*" means a Person or Entity: (a) employed in these Chapter 11 Cases pursuant to a Final Order in accordance with sections 327 and 1103 of the Bankruptcy Code and to be compensated for services rendered prior to the Effective Date, pursuant to sections 327, 328, 329, 330 and 331 of the Bankruptcy Code; or (b) for which compensation and reimbursement has been allowed by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

150. "*Retained Professionals Escrow Account*" means an account funded and maintained by the Reorganized Debtors, commencing on the Effective Date, solely for the purpose of paying the Accrued Professional Compensation.

151. "*Schedules*" mean the schedules of assets and liabilities, schedules of executory contracts and statements of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code.

152. "*Second Lien Administrative Agent*" means Bank of New York, as administrative agent for the Second Lien Lenders under the Second Lien Facility.

153. "*Second Lien Agents*" means, together, Bank of New York as administrative agent, and Goldman Sachs Credit Partners L.P. as collateral agent, for the Second Lien Lenders under the Second Lien Facility

154. "*Second Lien Agents' Fees*" means any and all fees, costs and expenses of the Second Lien Agents under the Second Lien Facility incurred after the Petition Date.

155. *"Second Lien Collateral Agent*" means Goldman Sachs Credit Partners L.P., as collateral agent for the Second Lien Lenders under the Second Lien Facility.

156. "*Second Lien Claim*" means any Claim arising from or based upon the Second Lien Obligations.

157. "*Second Lien Documents*" means all instruments, security agreements, guaranties, intercreditor agreements and other documents executed in connection with the Second Lien Facility, including without limitation all Loan Documents as that term is used in the Second Lien Facility.

158. "*Second Lien Facility*" means that certain *Amended and Restated Second Lien Credit and Guaranty Agreement* dated as of May 14, 2007, and amended and restated as of July 12, 2009, by and among J.L. French Automotive Castings, Inc., as borrower, certain subsidiaries of J.L. French Automotive Castings, Inc. as guarantors, various lenders and the Second Lien Agents, as amended, amended and restated, supplemented or otherwise modified from time to time through the Petition Date.

159. *Second Lien Fee Cap"* means $225,000.

160. "*Second Lien Lenders*" means, collectively, the financial institutions party to the Second Lien Facility as lenders, and all permitted assigns, transferees and successors-in-interest thereto.

161. "*Second Lien Obligations*" means all obligations, liabilities and indebtedness of every nature of each of the Debtors arising under or in connection with the Second Lien Facility or any of the other Second Lien Documents, including the principal amount of all debts, claims and indebtedness, accrued and unpaid interest and all fees, costs and expenses. The term "Second Lien Obligations" includes all "Obligations" as defined in the Second Lien Facility.

162. "*Second Lien Pledge and Security Agreement*" means that certain *Pledge and Security Agreement* dated May 14, 2007 by and among J.L. French Automotive Castings, Inc., as grantor, certain subsidiaries of J.L. French Automotive Castings, Inc. as guarantors, various lenders and the Second Lien Agents, as amended, supplemented or otherwise modified from time to time through the Petition Date.

163. "*Second Lien Professional Fees*" means the fees and expenses of (i) Bracewell & Giuliani LLP, as legal advisor to the Second Lien Agents and (ii) Richards, Layton and Finger, P.A., as Delaware counsel to the Second Lien Agents.

164. "*Secured Claims*" means: (a) Claims that are secured by a lien on property in which the Estates have an interest, which liens are valid, perfected and enforceable under applicable law or by reason of a Final Order, or that are subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Creditor's interest in the Estates' interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code; and (b) Claims which are Allowed under the Plan as a Secured Claim.

165. "*Securities Act*" means the Securities Act of 1933, 15 U.S.C. §§ 77a-77aa, as now in effect or hereafter amended, or any similar federal, state or local law.

166. "*Senior Management Employment Agreements*" means those certain prepetition employment agreements between the Company and its officers and certain other members of its senior management team, as those agreements may be amended from time to time with the consent of the Requisite Supporting First Lien Lenders, and in consultation wit the Requisite Supporting Second Lien Lenders.

167. "*Series A Warrants Strike Price*" means a price per share to be determined as of the Effective Date based on a $160 million enterprise value (with the aggregate equity portion of such enterprise value determined by subtracting the aggregate amount of indebtedness for borrowed money outstanding as of the Effective Date from such enterprise value).

168. "*Series B Warrants Strike Price*" means a price per share to be determined as of the Effective Date based on a $180 million enterprise value (with the aggregate equity portion of such enterprise value determined by subtracting the aggregate amount of indebtedness for borrowed money outstanding as of the Effective Date from such enterprise value).

169. "*Series C Warrants Strike Price*" means a price per share to be determined as of the Effective Date based on a $275 million enterprise value (with the aggregate equity portion of such enterprise value determined by subtracting the aggregate amount of indebtedness for borrowed money outstanding as of the Effective Date from such enterprise value).

170. "*Specified OEM*" means any OEM that is a party to an OEM Consensually Modified Agreement.

171. "*Stockholders' Agreement*" means a stockholders' agreement of Reorganized J.L. French Automotive Castings, Inc., which shall be in a form substantially similar to the form included in the Plan Supplement and no provision thereof shall be modified in any material respect without the prior consent of the Requisite Supporting Second Lien Lenders.

172. "*Substantive Consolidation Objection Deadline*" means the deadline set forth in the Disclosure Statement Order for Filing any objection to the substantive consolidation provided herein.

173. "*Substantive Consolidation Order*" means that order of the Bankruptcy Court approving the substantive consolidation provided herein, which order may be the Confirmation Order.

174. "*Third Party Exit Credit Documents*" means the Third Party Exit Secured Note, the credit agreement, pledge and security agreement, guarantees and other agreements and documents that collectively set forth the terms of the indebtedness and other obligations of the Reorganized Debtors thereunder and the collateral securing same.

175. *"Third Party Exit Secured Note"* means the secured promissory note delivered by the Reorganized J.L. French Automotive Castings, Inc. to the lenders under the Third Party Exit Credit Documents in the maximum principal amount equal to $15 million.

176. "*Third Party Release*" means the release of the Third Party Releasees set forth in Article X.C.

177. "*Third Party Releasees*" means, collectively, each of the Debtors, Reorganized Debtors, First Lien Agents, Goldman Sachs Credit Partners L.P. (including in its capacity as predecessor First Lien Term Agent and as Second Lien Collateral Agent), First Lien Lenders, the First Lien Term Lender Steering Committee, the First Lien Term Lender Steering Committee Members, the First Lien Term Lender Steering Committee Co-Heads, DIP Agent, DIP Lenders, Second Lien Agents, Second Lien Lenders, Committee, Committee Members, and Holders of Claims entitled to vote to accept or reject the Plan who vote to accept the Plan, and each of their respective current and former members, officers, directors, managed funds, investment advisors, agents, financial advisors, attorneys, employees, partners, Affiliates and representatives (each of the foregoing in its individual capacity as such); except, however, that the term "Third Party Releasees" shall exclude any and all Non-Released Parties.

178. "*Unimpaired Claims*" means Claims in an Unimpaired Class.

179. "*Unimpaired Class*" means an unimpaired Class within the meaning of section 1124 of the Bankruptcy Code.

180. "*Unsecured Essential Trade Creditor and Service Provider Orders*" means: (i) that certain *Order Authorizing, But Not Requiring, the Debtors to Pay in the Ordinary Course of Business the Prepetition Claims of Essential Trade Creditors,* entered by the Bankruptcy Court on July 14, 2009, docket 72; and (ii) that certain *Order (I) Authorizing the Debtors to Pay in the Ordinary Course of Business Prepetition Claims of Shippers and Other Lien Claimants and (II) Authorizing Financial Institutions to Pay All Checks and Electronic Payment Requests Made By the Debtors Relating to the Foregoing*, entered by the Bankruptcy Court on July 14, 2009, docket no 68.

181. "*Voting Agent*" means BMC Group, Inc., in its capacity as notice, claims and balloting agent for the Debtors, pursuant to that certain *Order Authorizing the Debtors to Employ and Retain BMC Group, Inc. as Notice, Claims and Balloting Agent to the Debtors and Debtors in Possession*, entered by the Bankruptcy Court on July 14, 2009, docket no. 67.

182. "*Voting Classes*" means Classes 3, 4 and 5.

183. "*Voting Deadline*" means the date by which all Ballots must be received by the Voting Agent.

184. "*Voting Instructions*" means the instructions for voting on the Plan that are attached to the Ballots.

185. "*Warrant Agreements*" means the agreement, in a form substantially similar to the form included in the Plan Supplement which shall not be modified in any material respect prior to the Effective Date without the prior consent of the Requisite Supporting Second Lien Lenders, documenting the terms of the Class 4 Series A Warrants, Class 4 Series B Warrants and Class 4 Series C Warrants, to be dated as of the Effective Date. The Warrant Agreements may contain provisions limiting the transfer of Warrants to ensure that the record number of holders of Warrants will not cause Reorganized J.L. French Automotive Castings, Inc. to be required to file periodic and other reports under the Securities Exchange Act of 1934.

186. "*Warrants*" means any of the Class 4 Series A Warrants, Class 4 Series B Warrants and Class 4 Series C Warrants to be issued pursuant to the Warrant Agreements.

187. *"WYC Claims"* means the claims of W. Y. Campbell & Company, in the approximate amount of six hundred thousand dollars ($600,000.00), arising under an engagement agreement dated March 30, 2008, between

W. Y. Campbell & Company and Debtor J.L. French Automotive Castings, Inc., against any Debtor and any affiliate of any Debtor.

ARTICLE II.

ADMINISTRATIVE AND PRIORITY TAX CLAIMS

A. *Administrative Claims*

Subject to the provisions of sections 328, 330(a) and 331 of the Bankruptcy Code, each Holder of an Allowed Administrative Claim will be paid the full unpaid amount of such Allowed Administrative Claim in Cash: (a) on the Effective Date; (b) or if such Claim is Allowed after the Effective Date, on the date such Claim is Allowed; or (c) upon such other terms as may be agreed upon by such Holder and the Debtors or the Reorganized Debtors, as the case may be, or otherwise upon an order of the Bankruptcy Court; *provided that* Allowed Administrative Claims comprising obligations incurred in the ordinary course of business or otherwise assumed by a Debtor pursuant hereto will be assumed on the Effective Date, and thereafter, paid or performed by the respective Reorganized Debtor when due in accordance with the terms and conditions of the particular agreements governing any such obligations and (ii) Professional Fee Claims shall be paid from the Retained Professional Escrow Account in accordance with the applicable order of the Bankruptcy Court after filing a fee application, notice and a hearing pursuant to the procedures set forth in Article XII(c) hereof. The treatment of Class 3 Claims (First Lien Lenders) and Class 4 Claims (Second Lien Claims) contained in Article III.B.3. and III.B.4. of this Plan shall be in full satisfaction of all Allowed unsecured, secured and administrative claims of such First Lien Lenders and Second Lien Lenders in respect of the First Lien Credit Facility and Second Lien Credit Facility, respectively.

B. *DIP Facility Claims*

DIP Facility Claims are Unimpaired and unclassified claims. On the Effective Date, the Reorganized Debtors shall either (i) repay the DIP Facility Claims in full in cash from the proceeds of an exit facility to be consummated pursuant to the terms and conditions of the Third Party Exit Credit Documents, which the Reorganized Debtors shall execute and deliver on the Effective Date, or (ii) with the consent of the Requisite Lenders (as defined in the DIP Facility Credit Agreement), which consent may be withheld or delayed in their sole discretion, the Reorganized Debtors shall jointly and severally assume, as borrower or guarantors, all of the actual or contingent DIP Facility Claims, and the terms and conditions of the DIP Facility Claims (including any unfunded commitments) shall be amended and restated as provided in the DIP Facility Exit Credit Documents, which the Reorganized Debtors shall execute and deliver on the Effective Date. Among other things, the indebtedness and other obligations under the Third Party Exit Credit Documents or the DIP Facility Exit Credit Documents, as the case may be, shall be secured by liens upon and security interests in all real and personal property assets of the Reorganized Debtors, such liens and security interests having the same priority as that granted to the Holders of the Allowed DIP Facility Claims under Final DIP Order. On and after the Effective Date, the relative priorities, including without limitation Lien, payment and enforcement priorities, between (a) the indebtedness and other obligations under the Third Party Exit Credit Documents or the DIP Facility Exit Credit Documents, as the case may be, and the Liens securing same, and (b) the indebtedness and other obligations under CapitalSource Exit Credit Documents and the Liens securing same, shall be governed by the terms of the New Intercreditor Agreement.

C. *Priority Tax Claims*

1. Priority Tax Claims are Unimpaired and unclassified claims. Except to the extent that a holder of an Allowed Priority Tax Claim has been paid by the Debtors prior to the Effective Date or agrees to a different treatment, on the later of the Effective Date or the date on which a Priority Tax Claim becomes an Allowed Priority Tax Claim, or, in each such case, as soon as practicable thereafter, each Holder of an Allowed Priority Tax Claim due and payable on or prior to the Effective Date will receive on account of such Claim, in accordance with section 1129(a)(9)(C) of the Bankruptcy Code, regular installment payments in Cash: (i) of a total value, as of the Effective Date, equal to the Allowed amount of such Claim; (ii) which total value shall include simple interest to accrue on any outstanding balance of such Allowed Priority Tax Claim starting on the Effective Date at the rate of interest determined under applicable non-bankruptcy law pursuant to section 511 of the Bankruptcy Code; (iii) over a period ending not later than 5 years after the Petition Date; and (iv) in a manner not less favorable than the most

favored nonpriority unsecured Claim provided for by the Plan (other than payments in Cash made to a Class of Creditors under section 1122(b) of the Bankruptcy Code).

2. *Installment Payments:* Any installment payments made pursuant to section 1129(a)(9)(C) of the Bankruptcy Code shall be in equal quarterly Cash payments beginning on the first day of the calendar month following the Effective Date, and subsequently on the first day of each third calendar month thereafter, as necessary. The amount of any Priority Tax Claim that is not otherwise due and payable on or prior to the Effective Date, and the rights of the Holder of such Claim, if any, to payment in respect thereof shall: (a) be determined in the manner in which the amount of such Claim and the rights of the Holder of such Claim would have been resolved or adjudicated if the Chapter 11 Cases had not been commenced; (b) survive the Effective Date and Consummation of the Plan as if the Chapter 11 Cases had not been commenced; and (c) not be discharged pursuant to section 1141 of the Bankruptcy Code. In accordance with section 1124 of the Bankruptcy Code, and notwithstanding any other provision of the Plan to the contrary, the Plan shall not alter or otherwise impair the legal, equitable, and contractual rights of any Holder of a Priority Tax Claim that is not otherwise due and payable on or prior to the Effective Date. Each holder of an Allowed Secured Tax Claim shall retain the Lien securing its Allowed Secured Tax Claim as of the Effective Date until full and final payment of such Allowed Secured Tax Claim is made as provided herein, and upon such full and final payment, such Lien shall be deemed to have been satisfied and shall be null and void and unenforceable for all purposes.

ARTICLE III.

CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS AND EQUITY INTERESTS

A. *Summary*

1. The categories of Claims and Equity Interests listed below classify Claims and Equity Interests for all purposes, including voting, confirmation and distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. The Plan deems a Claim or Equity Interest to be classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Equity Interest qualifies within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that any such Claim or Equity Interest is Allowed in that Class and has not been paid or otherwise settled prior to the Effective Date. Other than as specifically set forth herein, the treatment of and consideration to be received by holders of Claims or Equity Interests pursuant to this Article III shall be in full satisfaction, settlement, release and discharge of such holder's respective Claim or Equity Interest. Except as expressly set forth herein or in the Confirmation Order, such discharge shall not affect the liability of any other Person or Entity on, or the property of any other Person or Entity encumbered to secure payment of, any such Claim or Equity Interest; nor shall it affect the Reorganized Debtors' obligations pursuant to this Plan.

2. *Summary of Classification and Treatment of Classified Claims and Equity Interests*.

Class	Claim	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Deemed to Accept
2	Other Secured Claims	Unimpaired	Deemed to Accept
3	First Lien Claims	Impaired	Entitled to Vote
4	Second Lien Claims	Impaired	Entitled to Vote
5	General Unsecured Claims	Impaired	Entitled to Vote
6	Preferred Equity Interests	Impaired	Deemed to Reject
7	Common Equity Interests	Impaired	Deemed to Reject

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

1. *Class 1: Other Priority Claims*.

(a) *Classification:* Class 1 consists of the Other Priority Claims against the Debtors.

(b) *Treatment:* The legal, equitable and contractual rights of the Holders of Allowed Class 1 Claims are unaltered by the Plan. Unless otherwise agreed to by the Holders of the Allowed Class 1 Claim and the Debtors, each Holder of an Allowed Class 1 Claim shall receive, in full and final satisfaction of such Allowed Class 1 Claim, one of the following treatments, as determined by the Debtors and upon the consent of the Requisite Supporting First Lien Lenders and after consultation with the Requisite Supporting Second Lien Lenders:

(i) the Debtors will pay the Allowed Class 1 Claim in full, without interest, in Cash on the Effective Date or as soon thereafter as is practicable; *provided that,* Allowed Class 1 Claims representing obligations incurred in the ordinary course of business will be paid in full in Cash when such Allowed Class 1 Claims become due and owing in the ordinary course of business;

(ii) each such Allowed Class 1 Claim will be treated in any other manner so that such Claim shall otherwise be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code; or

(iii) the Debtors will treat the Allowed Class 1 Claim in accordance with subsections (i) and (ii) above thereafter when such claim becomes Allowed.

(c) *Voting:* Class 1 is Unimpaired, and the Holders of Class 1 Claims are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders Class 1 Claims are not entitled to vote to accept or reject the Plan; *provided*, *however*, that all Class 1 Claims shall be subject to Allowance under the provisions of the Plan, including, but not limited to, Article VIII.

2. *Class 2: Other Secured Claims*.

(a) *Classification*: Class 2 consists of the Other Secured Claims against the applicable Debtor.

(b) *Treatment*: Each Holder of an Allowed Class 2 Claim will be placed in a separate subclass of Class 2, and each subclass will be treated as a separate class for distribution purposes. On or as soon as practicable after the Effective Date, each Holder of an Allowed Class 2 Claim shall receive, in full and final satisfaction of such Allowed Class 2 Claim, one of the following treatments as determined by the Debtors and upon the consent of the Requisite Supporting First Lien Lenders and after consultation with the Requisite Supporting Second Lien Lenders:

(i) the Debtors will pay the Allowed Class 2 Claim in full in Cash;

(ii) the Debtors will reinstate the Allowed Class 2 Claim; or

(iii) the Debtors will treat an Allowed Class 2 Claim in a manner indubitably equivalent to the treatments set forth in subsections (i) and (ii) above.

(c) *Voting:* Class 2 is Unimpaired, and the Holders of Class 2 Claims are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 2 Claims are not entitled to vote to accept or reject the Plan; *provided*, *however*, that all Class 2 Claims shall be subject to Allowance under the provisions of the Plan, including, but not limited to, Article VIII.

3. *Class 3: First Lien Claims*

(a) *Classification*: Class 3 consists of the Holders of First Lien Claims.

(b) *Treatment*: On or as soon as practicable after the Effective Date, a Holder of an Allowed Class 3 Claim shall receive, in full and final satisfaction of each such Allowed Class 3 Claim and all other Allowed unsecured, secured and administrative claims of such Holder of an Allowed Class 3 Claim arising in respect of the First Lien Facility and any grant of adequate protection with respect thereto, the following:

(i) The Holder of an Allowed Class 3 Claim that is a First Lien Revolver Lender shall receive the CapitalSource Exit Secured Note (the form of which shall be included in the Plan Supplement), which secured grid promissory note shall be in an initial principal amount of such First Lien Revolving Lender's Allowed Class 3 Claim, shall provide for an increase in the principal amount thereof in the event there is a drawing on any letter of credit entitled to the benefit of the First Lien Facility and outstanding immediately prior to the Petition Date in the amount of such drawing, shall be for a term ending on November 14, 2013, with interest and principal payable on the terms on conditions set forth in the CapitalSource Exit Secured Note. On and after the Effective Date, the relative priorities, including without limitation Lien, payment and enforcement priorities, between, on the one hand, the indebtedness and other obligations under the CapitalSource Exit Credit Documents and the Liens securing same and, on the other hand, the indebtedness and other obligations under the Third Party Exit Credit Documents or the DIP Facility Exit Credit Documents, as the case may be, and the Liens securing same, shall be governed by the terms of the New Intercreditor Agreement;

(ii) Each Holder of an Allowed Class 3 Claim that is a First Lien Term Lender shall receive its Pro Rata share of 95% of the Distribution Shares. Each Holder of an Allowed Class 3 Claim that is a First Lien Term Lender shall execute and deliver the Stockholders Agreement prior to receiving its Pro Rata share of the Distribution Shares as set forth above. If any such Holder has not executed and delivered the Stockholders Agreement by the 60th day after the Effective Date, such Holder shall no longer be eligible to receive any distribution of the New Common Stock, and such Holder's share of the New Common Stock will be distributed Pro Rata, to the remaining Holders of Allowed Class 3 Claims that are First Lien Term Lenders that are parties to the New Stockholders Agreement;

(iii) All fees, costs and expenses of the First Lien Agents and their respective predecessors-in-interest (including, without limitation, all First Lien Professional Fees) that are outstanding as of the Effective Date shall be paid in full in cash on the Effective Date; and

(iv) The foregoing treatment of the Allowed Class 3 Claims gives full effect to any intercreditor or other provisions in any of the First Lien Documents (including, without limitation, the provisions of Section 2.15(b) of the First Lien Credit Agreement and Section 7.2 of the Pledge and Security Agreement (as defined in the First Lien Credit Agreement)), any Second Lien Documents, Prepetition Intercreditor Agreement or any of the other Prepetition Collateral Documents relating to the application of proceeds or payments in respect of the First Lien Obligations and/or the Second Lien Obligations, and accordingly, no Holder of an Allowed Class 3 Claim or an Allowed Class 4 Claim shall have any claim against any other Holder of an Allowed Class 3 Claim (or any First Lien Agent) or Allowed Class 4 Claim (or any Second Lien Agent) based upon or otherwise arising in respect of any such intercreditor or other provisions of any First Lien Documents, Second Lien Documents, Prepetition Intercreditor Agreement, other Prepetition Collateral Documents or otherwise.

(c) *Voting*: Class 3 is Impaired, and Holders of Class 3 Claims are entitled to vote to accept or reject the Plan.

4. *Class 4: Second Lien Claims*

(a) *Classification*: Class 4 consists of the Holders of Second Lien Claims.

(b) *Treatment*: On or as soon as practicable after the Effective Date, each Holder of an Allowed Class 4 Claim shall receive, in full and final satisfaction of its Allowed Class 4 Claim and all other Allowed unsecured, secured and administrative claims of such Holder of an Allowed Class 4 Claim arising in respect of the Second Lien Facility and any grant of adequate protection with respect thereto, its Pro Rata share of the following:

(i) 5% of the Distribution Shares. Each Holder of an Allowed Class 4 Claim shall execute and deliver the Stockholders Agreement prior to receiving its Pro Rata share of the Distribution Shares as set forth above. If any such Holder has not executed and delivered the Stockholders Agreement by the 60th day after the Effective Date, such Holder shall no longer be eligible to receive any distribution of the New Common Stock, and such Holder's share of the New Common Stock will be distributed Pro Rata, to the remaining Holders of Allowed Class 4 Claims that are parties to the New Stockholders Agreement; and

(ii) the Class 4 Warrants. Notwithstanding the foregoing, each Holder of an Allowed Class 4 Claim shall execute and deliver the Stockholders Agreement prior to receiving its Pro Rata share of the Class 4 Warrants. If any such Holder of Second Lien Claims has not executed and delivered the Stockholders Agreement by the 60th day after the Effective Date, such Holder shall no longer be eligible to receive any distribution of the Class 4 Warrants, and such Holder's share of the Class 4 Warrants will be distributed Pro Rata, to the remaining Holders of Allowed Class 4 Claim that are parties to the Stockholders Agreement; and

(iii) All fees, costs and expenses of the Second Lien Agents and its predecessor-in-interest (including, without limitation, all Second Lien Professionals' Fees in an amount not to exceed the Second Lien Fee Cap) that are outstanding as of the Effective Date shall be paid in full in cash on the Effective Date; and

(iv) The foregoing treatment of the Allowed Class 4 Claims gives full effect to any intercreditor or other provisions in any of the Second Lien Documents (including without limitation, the provisions of Section 2.15(b) of the Second Lien Credit Agreement and Section 7.2 of the Second Lien Pledge and Security Agreement), any First Lien Documents, Prepetition Intercreditor Agreement or any of the other Prepetition Collateral Documents relating to the application of proceeds or payments in respect of the First Lien Obligations and/or Second Lien Obligations, and accordingly, no Holder of an Allowed Class 3 Claim shall have any claim against any Holder of an Allowed Class 4 Claim (or the Second Lien Agents) based upon or otherwise arising in respect of any such intercreditor or other provisions of any First Lien Documents, Second Lien Documents, Prepetition Intercreditor Agreement or other Prepetition Collateral Documents.

(c) *Voting*: Class 4 is Impaired, and Holders of Class 4 Claims are entitled to vote to accept or reject the Plan.

5. *Class 5: General Unsecured Claims*

(a) *Classification*: Class 5 consists of Holders of General Unsecured Claims, including, without limitation, the Interest Rate Swap Claims, the WYC Claims and the Claims of OEMs that are not Specified OEMs. Claims of the Specified OEMs are not included in Class 5 and shall not share in the Class 5 Recovery because such Claims are governed by the assumption by the Debtors of the Specified OEMs' contracts and purchase orders pursuant to Article VI.A. hereof and the consequent payment in full of such claims in the ordinary course of business pursuant to the terms of the respective OEM Consensually Modified Agreements.

(b) *Treatment*: Each Holder of an Allowed Class 5 Claim, but not including the holders of the Interest Rate Swap Claims and the WYC Claims, shall receive his, her or its Pro Rata share of the $120,000 Class 5 Recovery, in full and final satisfaction of each such Allowed Class 5 Claim. The holder of the Interest Rate Swap Claims shall have an allowed general unsecured claim in the amount of one million dollars ($1,000,000.00) in respect of the Interest Rate Swap Claims and shall receive the Morgan Stanley Exit Swap in full and final satisfaction of the Interest Rate Swap Claims. The holder of the WYC Claims shall receive on the Effective Date ten thousand dollars ($10,000.00) in full and final satisfaction of the WYC Claims.

(c) *Voting*: Class 5 is Impaired, and Holders of Class 5 Claims are entitled to vote to accept or reject the Plan; *provided*, *however*, that all Class 5 Claims shall be subject to Allowance under the provisions of the Plan, including, but not limited to, Article VIII.

6. *Class 6: Preferred Equity Interests*

(a) *Classification*: Class 6 consists of all Preferred Equity Interests in the Debtors.

(b) *Treatment*: On the Effective Date, all Class 6 Preferred Equity Interests shall be deemed cancelled, and shall be of no further force and effect, whether surrendered for cancellation or otherwise, and there shall be no distribution to the Holders of Preferred Equity Interests.

(c) *Voting*: Class 6 is Impaired, and Holders of Class 6 Preferred Equity Interests are conclusively deemed to reject the Plan. Holders of Class 6 Preferred Equity Interests are therefore not entitled to vote to accept or reject the Plan.

7. *Class 7: Common Equity Interests*

(a) *Classification*: Class 7 consists of all Common Equity Interests in the Debtors.

(b) *Treatment*: On the Effective Date, all Class 7 Common Equity Interests shall be deemed cancelled, and shall be of no further force and effect, whether surrendered for cancellation or otherwise, and there shall be no distribution to the Holders of Common Equity Interests.

(c) *Voting*: Class 7 is Impaired, and Holders of Class 7 Common Equity Interests are conclusively deemed to reject the Plan. Holders of Class 7 Common Equity Interests are therefore not entitled to vote to accept or reject the Plan.

C. *Intercompany Claims and Equity Interests*

Notwithstanding anything herein to the contrary, on the Effective Date or as soon thereafter as is reasonably practicable, at the option of the Reorganized Debtors with the consent of the Requisite Supporting First Lien Lenders and after consultation with the Requisite Supporting Second Lien Lenders, Intercompany Claims, and claims of any Debtor against any other Debtor may be: (i) preserved and reinstated, in full or in part; (ii) cancelled and discharged, in full or in part, in which case such discharged and satisfied portion shall be eliminated and the holders thereof shall not be entitled to, and shall not receive or retain, any property or interest in property on account of such portion under the Plan; (iii) eliminated or waived based on accounting entries in the Debtors' or Reorganized Debtors' books and records and other corporate activities; or (iv) contributed to the capital of the Entity obligated in respect of such Intercompany Claim.

The cancellation of Preferred and Common Equity Interests pursuant to this Plan shall not apply to any equity interests of any Debtor in any other Debtor, which intercompany equity interests shall remain unimpaired and unaltered under the terms of this Plan after the Effective Date.

D. *Special Provision Governing Unimpaired Claims*

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' or the Reorganized Debtors' rights in respect of any Unimpaired Claims, including, but not limited to, all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claims.

ARTICLE IV.

ACCEPTANCE OR REJECTION OF THE PLAN

A. *Voting Classes*

Each Holder of an Allowed Claim in Classes 3, 4 and 5 shall be entitled to vote to accept or reject the Plan.

B. *Acceptance by Voting Classes*

The Voting Classes shall have accepted the Plan if: (a) the Holders (other than any Holder designated under section 1126(e) of the Bankruptcy Code) of at least two-thirds in amount of the Allowed Claims actually voting in that Class have voted to accept the Plan; and (b) the Holders (other than any Holder designated under section 1126(e) of the Bankruptcy Code) of more than one-half in number of the Allowed Claims actually voting in that Class have voted to accept the Plan.

C. *Presumed Acceptance of Plan*

Classes 1 and 2 are Unimpaired under the Plan, and are therefore presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.

D. *Presumed Rejection of Plan*

Classes 6 and 7 are Impaired and shall receive no distribution, and are therefore presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code.

E. *Elimination of Vacant Classes*

Any Class of Claims that is not occupied as of the date of the commencement of the Confirmation Hearing by the Holder of an Allowed Claim or a Claim temporarily allowed under Bankruptcy Rule 3018 (i.e., no Ballots are cast in a Class entitled to vote on the Plan) shall be deemed eliminated from the Plan for the purposes of voting to accept or reject the Plan and for purposes of determining acceptances or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

F. *Non-Consensual Confirmation; Cramdown*

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 6 and 7. To the extent that any of the Voting Classes vote to reject the Plan, the Debtors further reserve the right to seek (a) Confirmation of the Plan under section 1129(b) of the Bankruptcy Code; and/or (b) modify the Plan in accordance with Article XII.D hereof.

ARTICLE V.

MEANS FOR IMPLEMENTATION OF THE PLAN

A. *Consolidation of the Debtors for Voting and Distribution*

On and after the Effective Date, except for Class 2 Claims, each and every Claim in the Debtors' Chapter 11 Cases against any of the Debtors shall be deemed filed against the consolidated Debtors, and shall be deemed a single consolidated Claim against and obligation of all of the consolidated Debtors. Such limited consolidation shall not affect (other than for Plan voting and distribution purposes): (i) the legal and corporate structures of the Reorganized Debtors; or (ii) pre- and post-Petition Date Liens, guarantees and security interests that are required to be maintained (x) in connection with contracts that were entered into during the Debtors' Chapter 11 Cases or that have been or will be assumed pursuant to section 365 of the Bankruptcy Code and this Plan, (y) in connection with the terms of the DIP Facility, the DIP Facility Exit Credit Documents or the Third Party Exit Credit Documents as the case may be, the CapitalSource Exit Credit Documents, the New Common Stock and the Class 4 Warrants, and (z) pursuant to the terms and conditions contained in this Plan. From and after the Effective Date, each of the Reorganized Debtors will be deemed a separate and distinct entity, properly capitalized, vested with all of the assets

of such debtor as they existed prior to the Effective Date and having the liabilities and obligations provided for under this Plan.

B. *Vesting of Assets in the Reorganized Debtors*

Pursuant to section 1141(b) of the Bankruptcy Code, all property of the respective estate of each Debtor, together with any property of each Debtor that is not property of its estate and that is not specifically disposed of pursuant to this Plan, or by order of the Bankruptcy Court, will revest in the applicable Reorganized Debtor on the Effective Date. Thereafter, the Reorganized Debtors may operate their businesses and may use, acquire and dispose of property free of any restrictions of the Bankruptcy Code, the Bankruptcy Rules and the Bankruptcy Court. As of the Effective Date, all property of each Reorganized Debtor will be free and clear of all Liens, Claims and Equity Interests except as specifically provided pursuant to this Plan, the Confirmation Order, the DIP Facility Exit Credit Documents or the Third Party Exit Credit Documents as the case may be, and the CapitalSource Exit Credit Documents.

C. *Cancellation of Equity Interests*

On the Effective Date, except to the extent otherwise provided herein, all notes, stock, instruments, certificates, and other documents evidencing the Equity Interests shall be cancelled, and the obligations of the Debtors thereunder or in any way related thereto shall be discharged. On the Effective Date, except to the extent otherwise provided herein, any indenture or similar instrument relating to any of the foregoing shall be deemed to be canceled, as permitted by section 1123(a)(5)(F) of the Bankruptcy Code, and the obligations of the Debtors thereunder shall be discharged.

D. *Issuance of New Securities; Execution of Related Documents*

On or immediately after the Effective Date, the Reorganized Debtors shall issue all securities, notes, stock, instruments, certificates, and other documents required to be issued pursuant hereto, including, without limitation, New Common Stock, New Organizational Documents and Warrants, each of which shall be distributed as provided herein. The Reorganized Debtors shall execute and deliver all other agreements, documents and instruments that are required to be executed pursuant to the terms hereof.

E. *Effectuating Documents; Further Transactions*

The chief executive officer, chief financial officer or any other appropriate officer of Debtor J.L. French Automotive Castings, Inc. or Reorganized J.L. French Automotive Castings, Inc., or any other applicable Debtor or Reorganized Debtor, as the case may be, shall be authorized to: (a) execute, deliver, file or record such contracts, instruments, releases, indentures and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions herein; and (b) certify or attest to any of the foregoing actions.

F. *Creation of Retained Professional Escrow Account*

On the Effective Date, the Reorganized Debtors shall establish the Retained Professional Escrow Account and reserve the amounts necessary to ensure the payment of all Allowed Accrued Professional Compensation.

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

1. *Reorganized J.L. French Automotive Castings, Inc. Certificate of Incorporation and By-Laws*

On the Effective Date, Reorganized J.L. French Automotive Castings, Inc. shall file the Reorganized J.L. French Automotive Castings, Inc. Certificate of Incorporation with the Secretary of State of the state of Delaware in accordance with Section 103 of the General Corporation Law of the state of Delaware. The Reorganized J.L. French Automotive Castings, Inc. Certificate of Incorporation and the Reorganized J.L. French Automotive Castings, Inc. By-Laws will, among other things: (a) authorize the issuance of New Common Stock; and (b) prohibit the issuance of non-voting securities pursuant to section 1123(a)(6) of the Bankruptcy Code.

2. *Effectiveness of Stockholders' Agreement*

The Stockholders' Agreement, as hereinafter amended or changed on the terms thereof, shall be deemed effective and binding upon all Holders of New Common Stock on the Effective Date and upon all future Holders of New Common Stock (including all holders of Warrants).

3. *Directors and Officers of the Reorganized Debtors*

The New Board's composition shall be disclosed in a notice to be filed with the Bankruptcy Court prior to the commencement of the Confirmation Hearing. The directors of the remaining Reorganized Debtors shall be appointed by the New Board on the Effective Date in accordance with the terms of the Stockholders Agreement. The Debtors' current management will continue as the management of the Reorganized Debtors, subject to review of the New Board. The Debtors will disclose, prior to the commencement of the Confirmation Hearing, the nature of any compensation for any member of the New Board who is an "Insider" under the Bankruptcy Code. Each such director, officer and member shall serve from and after the Effective Date pursuant to the terms of the Reorganized J.L. French Automotive Castings, Inc. Certificate of Incorporation, other constituent documents, or the Delaware General Corporation Law.

4. *Management Incentive Program*

The board of directors of Reorganized J.L. French Automotive Castings, Inc. shall be authorized, but not obligated, to implement the Management Incentive Program as authorized by and pursuant to the New Organizational Documents, *provided that* the terms and conditions of that Management Incentive Program have been agreed to by the New Board. The New Organizational Documents shall explicitly authorize the New Board to issue the Maximum Authorized Management Incentive Program Shares of New Common Stock for the Management Incentive Program.

5. *D&O Tail Coverage Policies*

Reorganized J.L. French Automotive Castings, Inc. will obtain sufficient tail coverage for a period of six years under a directors' and officers' insurance policy for the current and former officers and directors of the Debtors.

6. *Corporate Action*

On the Effective Date, the adoption and filing (as necessary) of the New Organizational Documents, the approval of the Reorganized J.L. French Automotive Castings, Inc. By-Laws, the appointment of directors, officers, managers, members and partners for the Reorganized Debtors, the adoption of a Management Incentive Program, and all actions contemplated thereby, shall be authorized and approved in all respects subject to the provisions hereof. All matters provided for herein involving the corporate structure of 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 occurred and shall be in effect, without any requirement of further action by the security holders, officers or directors of the Debtors or the Reorganized Debtors. On the Effective Date, the appropriate directors and officers of the Reorganized Debtors are authorized and directed to issue, execute and deliver the agreements, documents, securities and instruments contemplated by the Plan and the Plan Documents in the name of and on behalf of the Reorganized Debtors. Entry of the Confirmation Order will constitute approval of the Plan Documents and all such transactions subject to the occurrence of the Effective Date.

H. *Sources of Cash for Plan Distribution*

All Cash necessary for the Debtors, or the Reorganized Debtors, as the case may be, to make payments pursuant hereto (including, but not limited to, the Exit Costs) shall be obtained from existing Cash balances as of the Effective Date.

ARTICLE VI.

TREATMENT OF EXECUTORY CONTRACTS, UNEXPIRED LEASES AND PENSION PLAN

A. *Assumption and Rejection of Executory Contracts and Unexpired Leases*

Any executory contracts and unexpired leases that have not expired by their own terms on or prior to the Effective Date, which the Debtors have not assumed or rejected during the pendency of the Chapter 11 Cases and which are not listed in the Plan Supplement as executory contracts or unexpired leases to be rejected, and that are not the subject of a motion pending as of the Effective Date to reject the same, shall be deemed assumed by the Debtors as of immediately prior to the Effective Date, and the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of any such assumptions pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Those executory contracts and unexpired leases listed in the Plan Supplement as executory contracts or unexpired leases to be rejected shall be deemed rejected by the Debtors as of immediately prior to the Effective Date, and the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of any such rejections pursuant to sections 365(a) and 1123 of the Bankruptcy Code.

To the extent any executory contract or unexpired lease is with a Debtor to be merged into another Debtor and is to be assumed or deemed assumed hereunder, the executory contract or unexpired lease also shall be deemed to be an asset and liability and obligation of the Reorganized Debtor into which that Debtor is to be merged.

On the Effective Date, the Debtors shall be deemed to have assumed the OEM Consensually Modified Agreements, and the OEM Consensually Modified Agreements shall be effective and binding upon the Debtors and the respective Specified OEMs.

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

All proofs of Claim arising from the rejection (if any) of executory contracts or unexpired leases must be filed with the Voting Agent within thirty (30) days after the earlier of: (a) the date of entry of an order of the Bankruptcy Court approving any such rejection; and (b) the Effective Date. Any Claims arising from the rejection of an executory contract or unexpired lease for which proofs of Claim were not timely Filed within that time period will be forever barred from assertion against the Debtors or the Reorganized Debtors, their Estates and property unless otherwise ordered by the Bankruptcy Court or as otherwise provided herein. All such Claims shall, as of the Effective Date, be subject to the discharge and permanent injunction set forth in Article X.I and Article X.J.

C. *Cure of Defaults for Executory Contracts and Unexpired Leases Assumed Pursuant to the Plan*

Any monetary amounts by which any executory contract and unexpired lease to be assumed pursuant to the Plan (including pursuant to Article VI.A) is in default shall be satisfied, pursuant to section 365(b)(1) 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)(1) of the Bankruptcy Code shall be made following the entry of a Final Order resolving the dispute and approving the assumption of any executory contracts or unexpired leases. Nevertheless, the Debtors or the Reorganized Debtors in their discretion may file with the Bankruptcy Court (or any other court of competent jurisdiction) an objection to any matter pertaining to the assumption. All such objections shall be litigated to Final Order, provided, however that the Debtors may compromise and settle, withdraw or resolve by any other method approved by the Bankruptcy Court, any such objections. In the event of such a dispute, the cure payments required by Section 365(b)(1) of the Bankruptcy Code shall be made in the ordinary course following the entry of a Final Order resolving the dispute and approving the assumption; provided, however, that based on the Bankruptcy Court's resolution of any such dispute, the applicable Debtor or Reorganized Debtor shall have right, within 30 days of the entry of such Final Order and subject to approval of the Bankruptcy Court pursuant to Section 365 of the Bankruptcy Code, to reject the applicable executory contract or unexpired lease.

D. *Indemnification of Directors, Officers and Employees*

All indemnification provisions in place on and prior to the Effective Date for current and former directors and officers of the Debtors and their subsidiaries shall survive the Effective Date of the Plan for Claims related to or in connection with any actions, omissions or transactions occurring prior to the Effective Date. As of the Effective Date, all indemnification provisions currently in place (whether in the by-laws, certificates of incorporation, articles of limited partnership, board resolutions, contracts or otherwise) for the current and former directors, officers, employees, attorneys, other professionals and agents of the Debtors shall be deemed to have been assumed by the Reorganized Debtors, and shall survive effectiveness of the Plan. All contingent and unliquidated Claims of Debtors' current and former directors, officers and employees for indemnification, defense or reimbursement of any liability shall be deemed expunged and withdrawn as of the Effective Date. The Reorganized Debtors shall be required to indemnify a director or officer in connection with a proceeding (or part thereof) initiated by such director or officer only if such proceeding (or part thereof) was authorized by the board of directors of Reorganized Debtors.

E. *Assumption of D&O Insurance Policies*

As of the Effective Date, the Reorganized Debtors shall be deemed to have assumed all of the Debtors' directors and officers liability insurance policies pursuant to section 365(a) of the Bankruptcy Code. Entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Reorganized Debtors' foregoing assumption of each of the Debtors' directors and officers liability insurance policies. Notwithstanding anything to the contrary contained in the Plan, Confirmation of the Plan shall not discharge, impair or otherwise modify any indemnity obligations assumed by the foregoing assumption of the Debtors' directors and officers liability insurance policies, and each such indemnity obligation will be deemed and treated as an executory contract that has been assumed by the Debtors under the Plan as to which no proof of claim need be Filed.

F. *Compensation and Benefit Programs*

Except as otherwise expressly provided herein or in the Plan Supplement and, notwithstanding Article VI.A of this Plan, all employment agreements and policies, and all compensation and benefit plans, policies, and programs of the Debtors applicable to their employees and non-employee directors, including, without limitation, all savings plans, retirement plans, health care plans, disability plans, severance benefit agreements and plans, incentive plans, deferred compensation plans and life, accidental death and dismemberment insurance plans, shall be treated as executory contracts under the Plan, and on the Effective Date will be deemed assumed pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code; and the Debtors' and Reorganized Debtors' obligations under such programs to such Persons shall survive confirmation of the Plan, except for: (a) executory contracts or employee benefit plans specifically rejected pursuant to the Plan (to the extent that any such rejection does not violate the Bankruptcy Code including, but not limited to, sections 1114 and 1129(a)(13) thereof); (b) all employee equity or equity-based incentive plans; and (c) such executory contracts or employee benefit plans that have previously been rejected, are the subject of pending rejection procedures or a motion to reject as of the Confirmation Date, or have been specifically waived by the beneficiaries of any employee benefit plan or contract; *provided however*, that the Reorganized Debtors' obligations, if any, to pay all "retiree benefits" as defined in section 1114(a) of the Bankruptcy Code shall continue unless and to the extent that any such retiree benefits have been modified in accordance with section 1114 of the Bankruptcy Code.

Notwithstanding anything contained in the Plan (including, without limitation, Article X) or the Plan Supplement to the contrary, in the event that the Nelson Metal Products Corporation Pension Plan for UAW Hourly Employees (the "Pension Plan") does not terminate prior to the Confirmation Date, all claims of, or with respect to, the Pension Plan (including the contingent claim of the Pension Benefit Guaranty Corporation ("PBGC") under 29 U.S.C. § 1362(b) for unfunded benefit liabilities of the Pension Plan, the claim of PBGC under 29 U.S.C. § 1362(c) for due and unpaid employer contributions owing to the Pension Plan, and any claim for premiums owed under 29 U.S.C. § 1307) shall become obligations of the Reorganized Debtors, including, without limitation, Reorganized J.L. French LLC, and shall otherwise be unaffected by the confirmation of the Plan, and such claims shall not be discharged or released or otherwise affected by the Plan or by these proceedings. Notwithstanding anything contained in the Plan (including, without limitation, Article X) or Plan Supplement to the contrary, there shall be no discharge, exculpation or release in favor of any Reorganized Debtors, controlled group members or other persons or entities or their property with respect to any fiduciary claims under the Employee Retirement Income Security

Act of 1974, as amended, or with respect to any claims of the Pension Plan or PBGC relating to the Pension Plan, and there shall be no injunction against the assertion of any such claims.

G. *Workers' Compensation Programs*

As of the Effective Date, the Reorganized Debtors shall be deemed to have assumed all of the Debtors' workers' compensation insurance policies pursuant to section 365(a) of the Bankruptcy Code. Entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Reorganized Debtors' foregoing assumption of each of the Debtors' workers' compensation liability insurance policies. As of the Effective Date, the Debtors and the Reorganized Debtors shall continue to honor their obligations under: (i) all applicable workers' compensation laws in states in which the Reorganized Debtors operate; and (ii) the Debtors' written contracts, agreements, agreements of indemnity, self-insurer workers' compensation bonds, policies, programs, and plans for workers' compensation and workers' compensation insurance. All Proofs of Claim on account of workers' compensation shall be deemed withdrawn automatically and without any further notice to or action, order, or approval of the Bankruptcy Court; provided, however, that nothing in the Plan shall limit, diminish, or otherwise alter the Debtors' or Reorganized Debtors' defenses, claims, Causes of Action, or other rights under applicable non-bankruptcy law with respect to any such contracts, agreements, policies, programs, and plans; provided however, that nothing herein shall be deemed to impose any obligations on the Debtors in addition to what is provided for in the applicable laws.

ARTICLE VII.

PROVISIONS GOVERNING DISTRIBUTIONS

A. *Distribution Record Date*

As of the close of business on the date the Clerk of the Bankruptcy Court enters the Confirmation Order or such other date as may be designated in the Confirmation Order, the various transfer registers for each of the Classes of Claims or Equity Interests as maintained by the Debtors or their agents (other than Classes 3 and 4) will be deemed closed, and there will be no further changes in the record holders of any of the Claims or Equity Interests (other than Classes 3 and 4). The Debtors will have no obligation to recognize any transfer of any Claims or Equity Interests occurring on or after the Distribution Record Date (other than Classes 3 and 4). The Debtors or Reorganized Debtors, as applicable, will recognize only those record holders stated on the transfer ledgers as of the close of business on the Distribution Record Date (other than Classes 3 and 4). The Distribution Record Date is the record date for purposes of making distributions under this Plan.

In the event that any payment or act under this Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, and if so completed will be deemed to have been completed as of the required date.

B. *Disbursing Agent*

Reorganized J.L. French Automotive Castings, Inc., as Disbursing Agent, or such other entity designated by Reorganized J.L. French Automotive Castings, Inc. as a Disbursing Agent, will make all distributions under this Plan when required by this Plan. A Disbursing Agent will not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court.

C. *Rights and Powers of the Disbursing Agent*

The Disbursing Agent will be empowered to (a) effect all actions and execute all agreements, instruments and other documents necessary to perform its duties under this Plan, (b) make all distributions contemplated thereby, (c) employ professionals to represent it with respect to its responsibilities, and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to this Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions of this Plan.

D. *Distributions for Claims Allowed as of the Effective Date*

Except as otherwise provided herein or as may be ordered by the Bankruptcy Court, the Disbursing Agent shall make distributions on the Effective Date or as soon as reasonably practicable thereafter on account of all Allowed Claims that are entitled to receive distributions under the Plan, and shall make further distributions to Holders of Claims that subsequently are determined to be Allowed Claims.

The New Common Stock and Warrants to be issued under the Plan shall be deemed issued as of the Effective Date regardless of the date on which they are actually dated, authenticated or distributed.

E. *Delivery and Distributions and Undeliverable or Unclaimed Distributions*

1. *Delivery of Distributions in General*

Distributions to Holders of Allowed Claims shall be made at the address of the Holder of such Claim as indicated on the records of the Debtors or the Reorganized Debtors, as the case may be, as of the Effective Date. Except as otherwise provided herein, the Disbursing Agent shall make distributions to Holders of Allowed Claims at the address for each such Holder indicated on the Debtors' records on the date of any such distribution; *provided, however*, that the manner of such distributions shall be determined at the discretion of the Debtors or Reorganized Debtors, as the case may be; and *provided further* that the Debtors' books and records for the address for each Holder of an Allowed Claim shall be deemed to be the address set forth in any proof of Claim filed by that Allowed Claim Holder; and *provided further* that all distributions to the First Lien Lenders and Second Lien Lenders shall be made directly by the Disbursing Agent on the Effective Date or as soon as practicable after the Effective Date.

2. *Undeliverable Distributions*

(a) *Holding of Certain Undeliverable Distributions*.

If any distribution to a Holder of an Allowed Claim is returned to the Reorganized Debtors as undeliverable, no further distributions shall be made to such Holder unless and until the Reorganized Debtors are notified in writing of such Holder's then-current address. Undeliverable distributions shall remain in the possession of the Reorganized Debtors, subject to Article VII.E.2(b), until such time as any such distributions become deliverable. Undeliverable Cash shall not be entitled to any interest, dividends or other accruals of any kind. As soon as reasonably practicable, the Reorganized Debtors shall make all distributions that become deliverable.

(b) *Failure to Claim Undeliverable Distributions.*

In an effort to ensure that all Holders of Allowed Claims receive their allocated distributions, sixty (60) days after the Effective Date, the Reorganized Debtors will file with the Bankruptcy Court a listing of the Holders of undeliverable distributions. This list will be maintained for as long as the Chapter 11 Cases remain open. Any Holder of an Allowed Claim, irrespective of when a Claim became an Allowed Claim, that does not assert a Claim pursuant hereto for an undeliverable distribution (regardless of when not deliverable) within the later of (i) one year after the Effective Date, and (ii) sixty days after the date such Claim becomes an Allowed Claim shall have its Claim for such undeliverable distribution discharged and shall be forever barred from asserting any such Claim against the Reorganized Debtors or their property. In such cases: (i) any Cash held for distribution on account of such Claims shall be property of the Reorganized Debtors, free of any restrictions thereon; and (ii) any New Common Stock or Class 4 Warrants held for distribution on account of such Claims shall be canceled and of no further force or effect. Nothing contained herein shall require the Reorganized Debtors to attempt to locate any Holder of an Allowed Claim.

(c) *Failure to Present Checks.*

Checks issued by the Reorganized Debtors on account of Allowed Claims shall be null and void if not negotiated within 180 days after the issuance of such check. The Debtors shall periodically File with the Bankruptcy Court a list of Holders of un-negotiated checks. Any Holder of an Allowed Claim holding an un-negotiated check that does not seek reissuance within 240 days after the initial mailing or other delivery of such check shall have its right to a distribution in the amount of the un-negotiated check discharged, and such Holder

shall be forever, barred, enjoined and estopped from asserting any such Claim against the Reorganized Debtors or their property. In such cases, any Cash held for payment of such Claims shall be property of the Reorganized Debtors free of any Claims of such Holder for the amount of such un-negotiated check. Nothing contained herein shall require the Debtors to attempt to locate any Holder of an Allowed Claim.

3. *Compliance with Tax Requirements/Allocations*

In connection with the Plan, to the extent applicable, the Reorganized Debtors shall comply with all tax withholding and reporting requirements imposed on them by any governmental unit, and all distributions pursuant hereto shall be subject to such withholding and reporting requirements. For tax purposes, distributions received by Holders in full or partial satisfaction of Allowed Claims will be allocated first to unpaid interest that accrued on such Claims, with any excess allocated to the principal amount of Allowed Claims.

F. *Timing and Calculation of Amounts to be Distributed*

On the Effective Date or as soon as practicable thereafter (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such a Claim becomes an Allowed Claim or as soon as practicable thereafter), each Holder of an Allowed Claim against the Debtors shall receive the full amount of the distributions that the Plan provides for Allowed Claims in the applicable Class. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in Article VIII.

G. *Minimum Distribution*

Any other provision of the Plan notwithstanding, no fractional shares of New Common Stock or fractional Warrants shall be distributed. Whenever any payment of a fractional share or Warrant under the Plan would otherwise be called for, the actual payment will reflect a rounding of such fraction to the nearest whole share or Warrant (up or down), with half-shares or half-warrants or less being rounded down. Any other provision of the Plan notwithstanding, the Debtors or the Reorganized Debtors, as the case may be, will not be required to make distributions or payments of less than $50 (whether cash or otherwise), and they will likewise not be required to make distributions or payments of fractions of dollars. Whenever any payment of a fraction of a dollar under the Plan would otherwise be called for, the actual payment will reflect a rounding of such fraction to the nearest whole dollar (up or down), with half-dollars or less being rounded down.

H. *Setoffs; Subordination*

Other than with respect to the Claims of the First Lien Term Lenders, the Second Lien Lenders and the DIP Lenders (as to which all rights of setoff or recoupment are waived pursuant to this Plan by the Debtors and the Reorganized Debtors), the Debtors and the Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim and the distributions to be made pursuant hereto on account of such Allowed Claim (before any distribution is made on account of such Allowed Claim), the claims, equity interests, rights and Causes of Action of any nature that the Debtors or the Reorganized Debtors may hold against the Holder of any such Allowed Claim; *provided that* neither the failure to effect such a setoff nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claims, equity interests, rights and Causes of Action that the Debtors or the Reorganized Debtors may possess against any such Holder, except as specifically provided herein. All Claims against the Debtors and all rights and Claims between or among Holders of Claims relating in any manner whatsoever to distributions on account of Claims against or Equity Interests in the Debtors, based upon any claimed subordination rights, whether asserted or unasserted, legal or equitable, shall be deemed satisfied by the distributions under the Plan to Holders of Claims having such subordination rights, and such subordination rights shall be deemed waived, released, discharged, and terminated as of the Effective Date. Except as otherwise specifically provided for in the Plan, distributions to the various Classes of Claims hereunder shall not be subject to levy, garnishment, attachment, or like legal process by any Holder of a Claim by reason of any subordination rights or otherwise, so that each Holder of a Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan.

ARTICLE VIII.

PROCEDURES FOR RESOLVING DISPUTED, CONTINGENT AND UNLIQUIDATED CLAIMS OR EQUITY INTERESTS

A. *Resolution of Disputed Claims*

1. *Prosecution of Claims Objections*

The Debtors prior to the Effective Date, and thereafter the Reorganized Debtors, shall have the exclusive authority to file objections on or before the Claims Objection Bar Date, settle, compromise, withdraw or litigate to judgment objections to any and all Claims, regardless of whether classified or otherwise. From and after the Effective Date, the Reorganized Debtors may settle or compromise any Disputed Claim without approval of the Bankruptcy Court; provided, however that the Reorganized Debtors must receive the prior written approval of the Requisite Supporting First Lien Lenders prior to entering into any settlement or compromise of any Disputed Claim if the face amount of the Disputed Claim is in excess of one hundred thousand dollars ($100,000.00).

2. *Claims Estimation*

Before the Effective Date, the Debtors, and after the Effective Date, the Reorganized Debtors 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 or the Reorganized Debtors have previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount will constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Debtors or the Reorganized Debtors may elect to pursue any supplemental proceedings to object to any ultimate payment on such Claim. All of the aforementioned Claims and objection, estimation and resolution procedures are cumulative and not necessarily exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court.

3. *Payments and Distributions on Disputed Claims*

Notwithstanding any provision herein to the contrary, except as otherwise agreed by the Reorganized Debtors in their discretion, no partial payments and no partial distributions will be made with respect to a Disputed Claim until the resolution of any such disputes by settlement or Final Order. On the date or, if such date is not a Business Day, on the next successive Business Day that is 20 calendar days after the end of the calendar quarter in which a Disputed Claim becomes an Allowed Claim, the Holder of such Allowed Claim will receive all payments and distributions to which that Holder is then entitled under the Plan. Notwithstanding the foregoing, any Holder of both an Allowed Claim and a Disputed Claim in the same Class of Claims will not receive payment or distribution in satisfaction of any such Allowed Claim, except as otherwise agreed by the Reorganized Debtors in their discretion or ordered by the Bankruptcy Court, until all such Disputed Claims are resolved by settlement or Final Order. In the event that there are Claims that require adjudication or other resolution, the Debtors and Reorganized Debtors reserve the right to, or shall upon an order of the Bankruptcy Court, establish appropriate reserves for potential payment of any such Claims.

B. *Claims Allowance*

Except as expressly provided herein or in any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), no Claim shall be deemed Allowed unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code or the Bankruptcy Court has entered a Final Order (including the Confirmation Order) in the Chapter 11 Cases allowing such Claim. Except as expressly provided in the Plan or any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), the Reorganized Debtors will have and shall retain after the Effective Date any and all rights and defenses that the Debtors had with respect to any Claim as of the Petition Date. All Claims of any Person or Entity subject to

section 502(d) of the Bankruptcy Code shall be deemed disallowed as of the Effective Date unless and until such Person or Entity pays in full the amount that it owes such Debtor or Reorganized Debtor, as the case may be.

C. *Controversy Concerning Impairment*

If a controversy arises as to whether any Claims or any Class of Claims are Impaired under the Plan, the Bankruptcy Court shall, after notice and a hearing, determine any such controversy before the Confirmation Date.

D. *Allowed Claims*

Upon entry of the Confirmation Order, the DIP Facility Claims, First Lien Claims, Second Lien Claims and Claims of Specified OEMs shall be deemed Allowed Claims.

ARTICLE IX.

CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

A. *Conditions Precedent to Confirmation*

It shall be a condition to Confirmation hereof that: (a) all provisions, terms and conditions of this Plan are approved in the Confirmation Order; (b) the Confirmation Order is entered no later than October 6, 2009 or such later date to which the Requisite Supporting First Lien Lenders have consented in writing after consultation with the Second Lien Lenders; and (c) the Plan, the proposed Confirmation Order and all of the Plan Documents are in form and substance acceptable to the (1) Debtors; (2) the Requisite Supporting First Lien Lenders; and (3) the Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification.

B. *Conditions Precedent to Consummation*

The Consummation of this Plan will not occur unless and until each of the following conditions has occurred or will occur contemporaneously with the Consummation of this Plan or waived pursuant to the provisions of Article IX.C:

1. the Confirmation Order shall have been entered, shall have become a Final Order, shall be in full force and effect, and shall be in form and substance acceptable to the: (a) Debtors; (b) Requisite Supporting First Lien Lenders; and (c) Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification;

2. the Debtors and the Reorganized Debtors are authorized and directed to take all actions necessary or appropriate to enter into, implement and consummate the contracts, instruments, releases, leases, indentures and other agreements or documents created in connection with or described in the Plan;

3. the provisions of the Confirmation Order are nonseverable and mutually dependent;

4. all actions, documents and agreements necessary to implement this Plan and the transactions contemplated by this Plan shall have been executed or become effective, in form and substance satisfactory to: (a) the Requisite Supporting First Lien Lenders; and (b) the Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification;

5. Reorganized J.L. French Automotive Castings, Inc. is authorized and directed to issue the New Common Stock and the Class 4 Warrants;

6. the OEM Consensually Modified Agreements shall have been executed and be in full force and effect;

7. the New Common Stock and the Warrants to be issued under this Plan shall have been duly authorized and, upon issuance, shall be validly issued and outstanding;

8. any alteration of any term or provision of this Plan by the Bankruptcy Court shall be acceptable to the (i) Debtors; (ii) Requisite Supporting First Lien Lenders; and (iii) Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification;

9. the Stockholders Agreement and the Warrant Agreements shall have been approved by the Requisite Supporting Second Lien Lenders and shall have been executed or become effective;

10. all fees, costs and expenses required to be paid under the DIP Facility, the First Lien Pledge and Security Agreement or the Plan, including without limitation those of the DIP Agent incurred under the DIP Facility and the First Lien Term Agent incurred under the First Lien Pledge and Security Agreement shall have been paid;

11. all fees, costs and expenses required to be paid under the Second Lien Pledge and Security Agreement, including without limitation, those of the Second Lien Term Agent shall have been paid, *provided that* Second Lien Professional Fees are subject to the Second Lien Fee Cap;

12. either (a) the Third Party Exit Credit Documents shall have been executed and delivered and all conditions precedent thereto shall have been satisfied or (ii) the DIP Facility Exit Credit Documents in the form approved by the DIP Agent and the requisite threshold of the DIP Lenders (as set forth in the DIP Facility Exit Credit Documents) and the Debtors, shall have been executed and delivered and all conditions precedent thereto shall have been satisfied;

13. all documents and agreements necessary to implement the Plan shall have been, as applicable to each such document and agreement: (a) tendered for delivery; (b) all conditions precedent thereto shall have been satisfied; and (c) shall have been effected or executed; which documents and agreements shall include, but not be limited to:

(a) the New Organizational Documents and all documents provided for therein or contemplated thereby; and

(b) the Management Incentive Program, if approved and authorized by the New Board.

14. The New Board shall have been appointed; and

15. The articles of incorporation and/or certificates of formation of the Reorganized Debtors shall have been filed with the applicable authority of their respective jurisdiction of incorporation and/or formation in accordance with such jurisdiction's applicable laws.

C. *Waiver of Conditions*

The Debtors may, in their discretion, at any time, waive any of the conditions to Confirmation of the Plan and to Consummation of the Plan set forth in this Article IX without notice, leave or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate the Plan; *provided*, *however*, that the Debtors may not waive any of the conditions to Confirmation of the Plan and to Consummation of the Plan set forth in this Article IX without the prior written consent of the: (A) Requisite Supporting First Lien Lenders; and (B) Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification.

D. *Effect of Non-Occurrence of Conditions to Consummation*

Unless extended by the mutual agreement of the Debtors and the Requisite Supporting First Lien Lenders after consultation with the Requisite Supporting Second Lien Lenders, in the event the conditions specified in Article IX(b) of this Plan have not been satisfied or waived in accordance with Article IX of this Plan by October 23, 2009: (i) the Confirmation Order will be vacated; (ii) no distributions under this Plan will be made; (iii) the Debtors and all holders of Claims and Equity Interests will be restored to the *status quo ante* as of the day immediately preceding the Confirmation Date as though the Confirmation Date had never occurred; and (iv) all the Debtors' obligations with respect to the Claims and Equity Interests will remain unchanged and nothing contained in this Plan will be deemed to constitute a waiver or release of any Claims or claims by or against the Debtors or any

other entity or to prejudice in any manner the rights of the Debtors or any other Entity in any proceedings further involving the Debtors.

ARTICLE X.

RELEASE, INJUNCTIVE AND RELATED PROVISIONS

A. *Compromise and Settlement*

The allowance, classification and treatment of all Allowed Claims and Equity Interests hereunder take into account and conform to the relative priority and rights of the Claims and Equity Interests in each Class in connection with any contractual, legal and equitable rights relating thereto. In addition, the allowance, classification and treatment of Allowed Claims take into account any Causes of Action, Claims or counterclaims, whether under the Bankruptcy Code or otherwise under applicable law, that may exist: (a) between the Debtors, on the one hand, and the Releasing Parties, on the other; and (b) as between the Releasing Parties. As of the Effective Date, any and all such Causes of Action, Claims and counterclaims referenced in (a) and (b) in the immediately preceding sentence are settled, compromised and released pursuant hereto. The Confirmation Order shall approve all such releases of Causes of Action, Claims and counterclaims against each such Releasing Party that are satisfied, compromised and settled pursuant hereto. Nothing in this Article X.A, however, shall compromise or settle in any way whatsoever any Causes of Action that the Debtors or the Reorganized Debtors may have against the Non-Released Parties.

B. *Releases by the Debtors*

On the Effective Date and effective as of the Effective Date, for the good and valuable consideration provided by each of the Debtor Releasees, including, but not limited to (a) the discharge of debt and all other good and valuable consideration paid pursuant to the Plan or otherwise and (b) the services of the Debtors' present and former officers and directors in facilitating the expeditious implementation of the restructuring contemplated by the Plan, and in view of the indemnification pursuant to Article X.E of the Plan of Debtors' former officers and directors as Indemnified Parties, each of the Debtors shall provide a full discharge and release to the Debtor Releasees (and each such Debtor Releasee so released shall be deemed released and discharged by the Debtors) and each such Debtor Releasee's respective properties from any and all claims, Causes of Action and any other debts, obligations, rights, suits, damages, actions, Causes of Action, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing as of the Effective Date or thereafter arising, in law, at equity, whether for tort, fraud, contract, violations of federal or state securities laws, or otherwise, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way to the Debtors, including, without limitation, those that any of the Debtors or the Reorganized Debtors would have been legally entitled to assert (whether individually or collectively) or that any Holder of a Claim or Equity Interest or other Person or Entity would have been legally entitled to assert for or on behalf of any of the Debtors or any of their Estates and further including those in any way related to the Chapter 11 Cases or the Plan; *provided*, *however*, that the foregoing Debtor Release shall not operate to waive or release any Causes of Action expressly set forth in and preserved by the Plan or Plan Supplement; and *provided, further, however,* that the foregoing Debtor Release shall not operate to waive or release the Debtors or the Reorganized Debtors from their obligations under this Plan or the Confirmation Order.

Notwithstanding anything contained in the Plan to the contrary, the Debtors shall not have released nor be deemed to have released by operation of this Article X.B. or otherwise any claims or Causes of Action that they or the Reorganized Debtors may have now or in the future against the Non-Released Parties.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Fed.R.Bankr.P. 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in the Plan, *and further*, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (a) in exchange for good and valuable consideration provided by the Debtor Releasees, representing good faith settlement and compromise of the claims released by the Debtor Release; (b) in the best interests of the Debtors and all Holders of Claims; (c) fair, equitable, and reasonable; (d) approved after due notice and opportunity for hearing; and (e) a bar to the Debtors or Reorganized Debtors asserting any Claim released by the Debtor Release against any of the Debtor Releasees or their respective property.

C. *Third Party Release*

On the Effective Date and effective as of the Effective Date, the Releasing Parties shall provide a full discharge and release (and each Person or Entity so released shall be deemed released by the Releasing Parties) to the Third Party Releasees and their respective property from any and all Claims, Causes of Action and any other debts, obligations, rights, suits, damages, actions, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing as of the Effective Date or thereafter arising, in law, at equity, whether for tort, fraud, contract, violations of federal or state securities laws, or otherwise, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way to the Debtors, including those in any way related to the Chapter 11 Cases or the Plan; *provided*, *however*, that the foregoing Third Party Release shall not operate to waive or release any of the Third Party Releasees from any Causes of Action expressly set forth in and preserved by the Plan or Plan Supplement; and *provided, further, however,* that the foregoing Third Party Release shall not operate to waive or release the Debtors or the Reorganized Debtors from their obligations under this Plan or the Confirmation Order.

The Third Party Release shall have no effect on the Claims of Third Party Releasees treated under the Plan, to the extent of allowance of Claims and satisfaction of Claims pursuant to the Plan.

Notwithstanding anything contained in the Plan to the contrary, the Releasing Parties shall not have released nor deemed to have released by operation of this Article X.C. or otherwise any claims or Causes of Action that they, the Debtors or the Reorganized Debtors may have now or in the future against the Non-Released Parties.

Notwithstanding anything contained in the Plan to the contrary, none of the First Lien Agents and Second Lien Agents or their respective predecessors in interest shall be deemed to have waived any exculpatory protections or any rights to indemnification or reimbursement from any First Lien Lenders or Second Lien Lenders, in each case to the extent provided in the First Lien Documents or Second Lien Documents, as the case may be.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval pursuant to Fed.R.Bankr.P. 9019 of the Third Party Release, which includes by reference each of the related provisions and definitions contained in the Plan, *and further*, shall constitute the Bankruptcy Court's finding that the Third Party Release is: (a) in exchange for good and valuable consideration provided by the Third Party Releasees, representing good faith settlement and compromise of the claims released by the Third Party Release; (b) in the best interests of the Debtors and all Holders of Claims; (c) fair, equitable, and reasonable; (d) approved after due notice and opportunity for hearing; and (e) a bar to any of the Releasing Parties asserting any claim released by the Third Party Release against any of the Third Party Releasees or their property.

D. *Exculpation*

The Exculpated Parties shall neither have nor incur any liability to any Person or Entity for any prepetition or postpetition act taken or omitted to be taken in connection with or related to formulating, negotiating, preparing, disseminating, implementing or administering the Plan, the Plan Documents, the Plan Supplement, the Disclosure Statement, the New Organizational Documents or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan, or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors or confirming or consummating the Plan; *provided*, *however*, that the foregoing provisions of this Article X.D shall have no effect on the liability of any Person or Entity that results from any such act or omission that is determined in a Final Order to have constituted gross negligence or willful misconduct; *provided further*, that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning its duties pursuant to, or in connection with, the above referenced documents; *provided still further*, that the foregoing Exculpation shall not apply to any Causes of Action expressly set forth in and preserved by the Plan or Plan Supplement.

Notwithstanding anything contained in the Plan to the contrary, the Exculpated Parties shall not include the Non-Released Parties, and the Plan shall not exculpate nor be deemed to have exculpated any of the Non-Released Parties for any acts they have taken, whether in contemplation of the restructuring of the Debtors, in confirming or consummating the Plan, or otherwise.

E. *Indemnification*

On the Effective Date and effective as of the Effective Date, the Reorganized Debtors shall jointly and severally indemnify and hold harmless, except as otherwise provided herein or in the Plan Supplement, each of the Indemnified Parties for all costs, expenses, loss, damage or liability incurred by any such parties arising from or related in any way to any and all Claims, Causes of Action and any other debts, obligations, rights, suits, damages, actions, Causes of Action, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing as of the Effective Date or thereafter arising, in law, at equity, whether for tort, fraud, contract, violations of federal or state securities laws, or otherwise, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way to the Debtors, including, without limitation, those arising from or related in any way to: (a) any acquisition by any such party of any indebtedness of the Debtors; (b) any action or omission of any such party with respect to any such indebtedness of the Debtors (including without limitation any action or omission of any such party with respect to the acquisition, holding, voting or disposition of any such investment); (c) any action or omission of any such party in such party's capacity as an officer, director, employee or agent of, or advisor to any Debtor; (d) any disclosure made or not made by any Person or Entity to any current or former Holder of any such indebtedness of the Debtors; (e) any consideration paid to any such party by any of the Debtors in respect of any investment by any such party in any indebtedness of the Debtors or in respect of any services provided by any such party to any Debtor; and (f) any action taken or not taken in connection with the New Organizational Documents, the Chapter 11 Cases, or the Plan. In the event that any such party becomes involved in any action, proceeding or investigation brought by or against any Person or Entity, as a result of matters to which the foregoing indemnity may relate, the Reorganized Debtors will promptly reimburse any such party for its reasonable legal and other expenses (including the cost of any investigation and preparation) incurred in connection therewith as such expenses are incurred and after a request for indemnification is made in writing, with reasonable documentation in support thereof; *provided, however*, that, notwithstanding anything herein to the contrary, the Plan shall not indemnify nor be deemed to have indemnified (i) any of the Non-Released Parties or (ii) any Person or Entity for any act that results from any such act or omission that is determined in a Final Order to have constituted gross negligence or willful misconduct.

F. *Deemed Consent*

By voting to accept this Plan or accepting any distribution directly under this Plan, each holder of a Claim will be deemed to the fullest extent permitted by applicable law to have specifically consented to the releases, injunctions and exculpations set forth in this Article X.

G. *No Waiver*

The releases and discharges of claims and parties, the compromises and settlements, and the exculpations and indemnifications set forth in this Plan do not limit, abridge, or otherwise affect the rights of the Reorganized Debtors to enforce, sue on, settle, or compromise the rights, claims and other matters retained by the Reorganized Debtors pursuant to this Plan.

H. *Preservation of Rights of Action; Reservation of Rights*

1. *Maintenance of Causes of Action*

Except as otherwise provided pursuant to this Plan or the Confirmation Order, or any other order of the Bankruptcy Court, or in any contract, instrument, release, indenture or other agreement entered into in connection with this Plan, and except with respect to the Third Party Releasees, in accordance with section 1123(b) of the Bankruptcy Code, the Reorganized Debtors will reserve and retain and may enforce, sue on, settle, compromise, transfer or assign (or decline to do any of the foregoing) all rights, claims, causes of action, rights of set off, suits, proceedings or other legal or equitable defenses accruing to the Debtors or their estates pursuant to the Bankruptcy Code or pursuant to any statute or legal theory, including without limitation, any avoidance or recovery actions and, to the extent permissible under applicable non-bankruptcy law, any suits or proceedings for recovery under any policies of insurance issued to or on behalf of the Debtors or any judgment obtained on behalf of any of the Debtors. Except as otherwise expressly set forth in this Plan (including the limitation on the reservation of avoidance and recovery actions set forth in the immediately preceding sentence), nothing contained in this Plan or the Confirmation Order will be deemed to be a waiver or the relinquishment of any right or Causes of Action that the Debtors or the

Reorganized Debtors may have or which the Debtors or the Reorganized Debtors may choose to assert on behalf of their respective estates under any provision of the Bankruptcy Code or any applicable non-bankruptcy law, including without limitation, (i) any and all Claims against any Person, to the extent such Person asserts a cross-claim, counterclaim and/or Claim for setoff which seeks affirmative relief against any of the Debtors, the Reorganized Debtors, their officers, directors or representatives and (ii) the turnover of any property of any of the Debtors' or the Reorganized Debtors' estates. This Plan provides that the Reorganized Debtors will be deemed the appointed representative to, and may pursue, litigate, compromise, settle, transfer or assign any such rights, claims, causes of action, suits or proceedings as appropriate, in accordance with the best interests of the Debtors, their Estates or the Reorganized Debtors or their respective successors who hold such rights.

Except as otherwise provided in the Plan or Confirmation Order, in accordance with section 1123(b)(3) of the Bankruptcy Code, any rights or Causes of Action that the Debtors may hold against any Entity shall vest upon the Effective Date in the Reorganized Debtors. The Reorganized Debtors, through their authorized agents and representatives, shall retain and may exclusively enforce any and all such rights and Causes of Action. After the Effective Date, upon the consent of the Requisite Supporting First Lien Lenders the Reorganized Debtors shall have the exclusive right, authority, and discretion to institute, prosecute, abandon, settle, or compromise any and all such rights and Causes of Action, without the consent or approval of any third party and without any further order of the Bankruptcy Court.

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

Unless a Claim or Cause of Action against a Holder or other Person or Entity is expressly waived, relinquished, released, compromised or settled in the Plan or any Final Order (including the Confirmation Order), the Debtors expressly reserve such Claim or Cause of Action for later prosecution by the Debtors or the Reorganized Debtors (including, without limitation, claims and Causes of Action not specifically identified or of which the Debtors may presently be unaware or which may arise or exist by reason of additional facts or circumstances unknown to the Debtors at this time or facts or circumstances which may change or be different from those the Debtors now believe to exist) and, therefore, no preclusion doctrine, including, without limitation, the doctrines of *res judicata,* collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches shall apply to such claims or Causes of Action upon or after the Confirmation or Consummation of the Plan based on the Disclosure Statement, the Plan or the Confirmation Order, except where such claims or Causes of Action have been released in the Plan (including, without limitation, and for the avoidance of doubt, the Debtor Release contained in Article X.B) or any other Final Order (including the Confirmation Order). In addition, the Debtors and Reorganized Debtors expressly reserve the right to pursue or adopt any claims alleged in any lawsuit in which the Debtors are a defendant or an interested party, against any Person or Entity, including, without limitation, the plaintiffs or co-defendants in such lawsuits.

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

I. *Discharge of Claims and Termination of Equity Interests*

Irrespective of any prior orders of this or any other court of competent jurisdiction, on the Effective Date, and effective as of the Effective Date: (a) the rights afforded in the Plan and the treatment of all Claims and Equity Interests herein shall be in exchange for and in complete satisfaction, discharge and release of all Claims and Equity Interests of any nature whatsoever, including any interest accrued on such Claims from and after the Petition Date, against the Debtors and Debtors-in-Possession, or any of their assets, property or Estates; (b) the Plan shall bind all Holders of Claims and Equity Interests, regardless of whether any such Holders failed to vote to accept or reject the Plan or voted to reject the Plan; and (c) all Claims against and Equity Interests in the Debtors and

Debtors-in-Possession shall be satisfied, discharged and released in full, and the Debtors' liability with respect thereto shall be extinguished completely; provided, however, that nothing in this Plan shall (a) discharge any environmental liabilities of the Debtors, or Reorganized Debtors, as the case may be, first arising on or after the Confirmation Date or that is not otherwise a claim within the meaning of section 101(5) of the Bankruptcy Code or preclude a governmental entity from asserting any such liabilities against the Reorganized Debtors, (b) discharge any liability to a governmental entity under applicable environmental laws that a Reorganized Debtor or any other Person or Entity may have as the owner or operator of real property on and after the Confirmation Date, (c) discharge any environmental liability to the United States on the part of any Persons other than the Debtors and Reorganized Debtors, or (d) waive or release any claims or defenses of the Debtors or Reorganized Debtors with respect to any of the foregoing under applicable non-bankruptcy law.

J. **Injunction**

1. **Except as otherwise expressly provided for in the Plan or in obligations issued pursuant to the Plan, from and after the Effective Date, all Persons and Entities shall be precluded from asserting against the Debtors, the Debtors-in-Possession, the Debtors' Estates, the Reorganized Debtors, their successors and assigns, and their assets and properties, any Claims or Equity Interests based upon any documents, instruments, or any act or omission, transaction or other activity of any kind or nature that occurred prior to the Effective Date.**

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

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

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

(c) **creating, perfecting, or enforcing any encumbrance of any kind against any Debtor or any Reorganized Debtor or the property or estate of any Debtor or any Reorganized Debtor;**

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

For the avoidance of doubt, nothing in the Plan, the Plan Supplement or the Confirmation Order is intended, or shall, enjoin or otherwise prohibit or limit any Specified OEM from enforcing in this or in any other court of competent jurisdiction any rights under any purchase order or other agreement to which it is a party.

ARTICLE XI.

RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall, after the Effective Date, retain such jurisdiction over the Chapter 11 Cases and all Persons and Entities with respect to all matters related to the Chapter 11 Cases, the Debtors and the Plan as legally permissible, including, but not limited to, jurisdiction to:

1. To hear and determine all matters with respect to the assumption or rejection of executory contracts, resolution of disputes pertaining to cure payment amounts and the allowance of the Claims resulting therefrom;

2. To hear and determine any application to modify this Plan in accordance with section 1127 of the Bankruptcy Code, to remedy any defect or omission or reconcile any inconsistency in this Plan or any order of the Bankruptcy Court, including the Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;

3. To hear and determine any application under sections§ 327, 328, 330, 331, 503(b), 1103 or 1129(a)(4) of the Bankruptcy Code for awards of compensation for services rendered and reimbursement of expenses incurred by professionals prior to the Effective Date, provided, however, that from and after the Effective Date, the payment of fees and expenses incurred from and after the Effective Date of the retained professionals of the Reorganized Debtors shall be made in the ordinary course of business and shall not be subject to the approval of the Bankruptcy Court;

4. To hear and determine any dispute or reconcile any inconsistency arising in connection with this Plan, any of the Plan Documents or the Confirmation Order or the interpretation, implementation or enforcement of this Plan, any of the Plan Documents, the Confirmation Order, any transaction or payment contemplated hereby or any agreement, instrument or other document governing or relating to any of the foregoing;

5. To hear and determine any matter concerning state, local and federal taxes in accordance with §§ 346, 505 and 1146 of the Bankruptcy Code;

6. To hear and determine any other matters related hereto and not inconsistent with the Bankruptcy Code and Title 28 of the United States Code;

7. To hear and determine any rights, claims or causes of action held by or accruing to the Debtors or the Reorganized Debtors pursuant to the Bankruptcy Code;

8. To hear and determine any dispute arising out of, and to enforce, the order approving alternative dispute resolution procedures to resolve personal injury, employment litigation and similar claims pursuant to § 105(a) of the Bankruptcy Code;

9. To issue injunctions, enter and implement other orders, and take such other actions as may be necessary or appropriate to restrain interference by any Person with the consummation, implementation or enforcement of this Plan, the Confirmation Order or any other order of the Bankruptcy Court;

10. To take any action, and issue such orders as may be necessary or appropriate, to construe, enforce, implement, execute and consummate this Plan or to maintain the integrity of this Plan following consummation;

11. To take any action to ensure that all distributions are accomplished as provided herein;

12. To allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim, Administrative Expense Claim or Equity Interest;

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

14. To enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan, the New Organizational Documents and all other contracts, instruments, releases, indentures and other agreements or documents adopted in connection with the Plan, Plan Supplement or the Disclosure Statement;

15. To resolve any cases, controversies, suits or disputes that may arise in connection with the Consummation, interpretation or enforcement of the Plan or any Person's or Entity's obligations incurred in connection with the Plan;

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

17. To enter, implement or enforce such orders as may be necessary or appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, modified or vacated;

18. To take any action to recover all assets of the Debtors and property of the Debtors' estates wherever located;

19. To enter a final decree closing the Debtors' Reorganization Cases;

20. To hear and determine any motion, adversary proceeding, application, contested matter and other litigated matter pending on or commenced after the Confirmation Date;

21. To enforce all orders, judgments, injunctions, releases, exculpations, indemnifications, and rulings entered in connection with the Debtors' Reorganization Cases with respect to any Person;

22. To hear and determine all disputes involving the existence, nature or scope of the Debtors' discharge; and

23. To hear and determine any other matter that may arise in connection with or is related to this Plan, the Disclosure Statement, the Confirmation Order, any of the Plan Documents or any other contract, instrument, release or other agreement or document related to this Plan or the Disclosure Statement.

ARTICLE XII.

MISCELLANEOUS PROVISIONS

A. *Definition of "Adverse or Disproportionate Effect or Modification"*

For the purposes of this Plan, all references to the phrase "Adverse or Disproportionate Effect or Modification" means:

(a) with respect to the requirement that the written consent of the Requisite Supporting Second Lien Lenders be obtained, written consent is required if the referenced document or Plan or Confirmation Order provision, including any releases, (i) adversely modifies the treatment of the Second Lien Claims from the treatment set forth in the Initial Plan, or (ii) has a disproportionate adverse effect on the holders of Second Lien Claims vis-à-vis the holders of First Lien Claims in their respective capacities as such (other than the Stockholders Agreement and the Warrant Agreements, which shall be satisfactory to the Requisite Supporting Second Lien Lenders in all respects), provided however that no amendment, modification or supplement to this Plan shall be deemed to adversely modify or alter the treatment of the Second Lien Claims so long as such amendment, modification or supplement does not modify the percentage of, or the terms of, the New Common Stock and Warrants (and the New Common Stock issued upon exercise thereof) to be issued to the holders of Second Lien Claims under the Plan (it being understood that any modification that results in the First Lien Term Lenders, but not the Second Lien Lenders, receiving debt claims against the Reorganized Debtors on account of their First Lien Term Claims would have a disproportionate adverse effect on holders of Second Lien Claims vis-à-vis the holders of First Lien Claims); and

(b) with respect to the requirement that the written consent of the First Lien Revolving Lender be obtained, written consent is required if the referenced document or Plan or Confirmation Order provision, including any releases: (i) adversely modifies the treatment of the First Lien Revolving Claims from the treatment set forth in the Initial Plan; (ii) has a disproportionate adverse effect on the holders of the First Lien Revolving Claims vis-à-vis the holders of First Lien Term Claims in their respective capacities as such (it being understood that any modification that results in the First Lien Term Lenders receiving (x) debt claims against the Reorganized Debtors on account of

their First Lien Term Claims or (y) equity interests in the Reorganized Debtors on account of their First Lien Term Claims, which equity interests require any payment of cash prior to payment in full of the CapitalSource Exit Secured Note, would have a disproportionate adverse effect on the holders of First Lien Revolving Claims vis-à-vis the holders of First Lien Term Claims); or (iii) has a disproportionate adverse effect on the holders of First Lien Revolving Claims vis-à-vis the holders of Second Lien Claims (including, without limitation, any difference in the terms of the releases in such plan that has a disproportionate adverse effect on holders of First Lien Revolving Claims vis-à-vis the holders of Second Lien Claims (as compared to the Initial Plan).

B. *Effectuating Documents, Further Transactions and Corporate Action*

The Debtors and the Reorganized Debtors are authorized to execute, deliver, file or record such contracts, instruments, 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 this Plan, the Plan Documents and the securities issued pursuant hereto.

Prior to, on or after the Effective Date (as appropriate), all matters provided for hereunder that would otherwise require approval of the shareholders or directors of the Debtors or the Reorganized Debtors shall be deemed to have been so approved and shall be in effect prior to, on or after the Effective Date (as appropriate) pursuant to the applicable general corporation law of the state of Delaware without any requirement of further action by the shareholders, directors, managers or partners of the Debtors or the Reorganized Debtors.

C. *Payment of Statutory Fees*

On the Effective Date, and thereafter as may be required, the Reorganized Debtors shall pay all fees required to be paid pursuant to section 1930 of title 28 of the United States Code. The Reorganized Debtors shall continue to file all required reports and pay all fees required to be paid pursuant to 28 U.S.C. § 1930 for each chapter 11 entity until the cases are closed, converted or dismissed.

D. *Professional Fee Claims*

All final requests for Professional Fee Claims must be filed with the Court not later than forty-five (45) days after the Effective Date. Objections to the applications of such professionals or other entities for compensation or reimbursement of expenses must be filed and served on the Debtors and their counsel and the requesting professional or other entity not later than two (2) weeks prior to the hearing date of the applications.

E. *Modification of Plan*

Subject to the limitations contained in the Plan and Consent Agreement: (a) the Debtors reserve the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules, to amend or modify the Plan prior to the entry of the Confirmation Order; and (b) after the entry of the Confirmation Order, the Debtors or the Reorganized Debtors, as the case may be, may, upon order of the Bankruptcy Court, amend or modify the Plan, in accordance with section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan; *provided*, *however*, any amendment or modification contemplated by either clause (a) or clause (b) above will require the prior written consent of the: (a) Requisite Supporting First Lien Lenders; and (b) Requisite Supporting Second Lien Lenders and First Lien Revolving Lender to the extent of any Adverse or Disproportionate Effect or Modification.

F. *Corrective Action*

Subject to the limitations and consent rights set forth in Section D of this Article XII above, prior to the Effective Date, upon the prior written consent of the Requisite Supporting First Lien Lenders, the Debtors may make appropriate technical adjustments and modifications to this Plan without further order or approval of the Bankruptcy Court, provided that such technical adjustments and modifications do not adversely affect in a material way the treatment of holders of Claims and Equity Interests.

G. *Revocation of Plan*

Subject to the limitations contained in the Consent Agreement and obtaining the written consent of the Requisite Supporting First Lien Lenders after consultation with the Requisite Supporting Second Lien Lenders, the Debtors reserve the right to revoke or withdraw the Plan prior to the Confirmation Date and to file subsequent plans of reorganization. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then: (a) the Plan and the Consent Agreement shall be null and void in all respects; (b) any settlement or compromise embodied in the Plan, assumption or rejection of executory contracts or leases effected by the Plan, and any document or agreement executed pursuant hereto shall be deemed null and void; and (c) nothing contained in the Plan shall: (i) constitute a waiver or release of any claims by or against, or any Equity Interests in, such Debtor or any other Person or Entity; (ii) prejudice in any manner the rights of the Debtors or any other Person or Entity ; or (iii) constitute an admission of any sort by the Debtors or any other Person or Entity.

H. *Substantial Consummation*

On the Effective Date, this Plan shall be deemed to be substantially consummated under sections 1101 and 1127(b) of the Bankruptcy Code.

I. *Successors and Assigns*

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

J. *Reservation of Rights*

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

K. *Section 1145 Exemption*

The Distribution Shares and the Warrants (and the New Common Stock issued upon exercise thereof), each as issued pursuant to the Plan, are exempt from registration under the Securities Act to the maximum extent permitted by section 1145 of the Bankruptcy Code and other applicable law.

Any shares of New Common Stock issued pursuant to the Management Incentive Program will be exempt from registration under the Securities Act by virtue of section 4(2) thereof or Regulation D promulgated thereunder.

L. *Section 1146 Exemption*

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

M. *Further Assurances*

The Debtors, Reorganized Debtors, all Holders of Claims receiving distributions hereunder and all other parties-in-interest shall, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan or the Confirmation Order.

N. *Service of Documents*

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

J.L. French Automotive Castings, Inc.
P.O. Box 1024
Sheboygan, Wisconsin 53082-1024
Attn: Thomas Musgrave and Steve Boyack

with a copy to:

Milbank Tweed Hadley & McCloy LLP
601 S. Figueroa St., 30th Floor
Los Angeles, California 90068
Attn: Gregory Bray, Esq., and Fred Neufeld Esq.

-and-

with a copy to counsel for the DIP Agent and First Lien Term Agent:

Latham & Watkins LLP
233 S. Wacker Drive, Suite 5800
Chicago, Illinois 60606
Attn: Richard Levy, Esq.
with a copy to counsel for the Second Lien Agents:

Bracewell & Giuliani LLP
1177 Avenue of the Americas
New York, New York 10036
Attn: Robb Tretter, Esq. and Jennifer Feldsher, Esq.

with a copy to counsel for the First Lien Revolver Agent:

Hahn and Hessen LLP
488 Madison Avenue
New York, New York 10022
Attn: Gilbert Backenroth, Esq.

O. *Filing of Additional Documents*

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

P. *Modification of Exhibits*

The Debtors explicitly reserve the right to modify or make additions to or subtractions from any schedule to this Plan or the Disclosure Statement and to modify any exhibit to this Plan or the Disclosure Statement prior to the Plan Objection Deadline, subject to the necessary creditor consents provided for in this Plan.

Q. *Governing Law*

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

R. *Time*

In computing any period of time prescribed or allowed by this Plan, unless otherwise set forth herein or determined by the Bankruptcy Court, the provisions of Bankruptcy Rule 9006 shall apply. With regard to all dates and periods of time set forth or referred to in this Plan, time is of the essence.

S. *Section Headings*

The section headings and other captions contained in this Plan are for reference purposes only and shall not affect in any way the meaning or interpretation of this Plan.

Dated: August 17, 2009

J.L. French Automotive Castings, Inc.

By: _____
Its: Chief Executive Officer

Nelson Metal Products LLC

By: _____
Its: Chief Executive Officer

Allotech International LLC

By: _____
Its: Chief Executive Officer

J.L. French Automotive, LLC

By: _____
Its: Chief Executive Officer

French Holdings LLC

By: _____
Its: Chief Executive Officer

J.L. French LLC

By: _____
Its: Chief Executive Officer

Central Die, LLC

By: _____
Its: Chief Executive Officer

FINANCIAL PROJECTIONS

EXHIBIT B

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EXHIBIT B

Financial Projections

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LIQUIDATION ANALYSIS

EXHIBIT C

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EXHIBIT C

Liquidation Analysis

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GOING CONCERN VALUATION

EXHIBIT D

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EXHIBIT D

Going Concern Valuation

INCLUDED IN PLAN SUPPLEMENT

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