IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	**Chapter 11**
PREMIER MARKETING GROUP, LLC,	§	**Case No. 25-90420 (CML)**
Debtor.[1]	§	

DISCLOSURE STATEMENT FOR CHAPTER 11 PLAN OF PREMIER MARKETING GROUP, LLC

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April 29, 2026
Houston, Texas

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DISCLOSURE STATEMENT, DATED APRIL 29, 2026

Solicitation of Votes on the
Chapter 11 Plan of
Premier Marketing Group, LLC

THIS SOLICITATION OF VOTES (THE "SOLICITATION") IS BEING CONDUCTED TO OBTAIN SUFFICIENT VOTES TO ACCEPT THE PLAN (AS DEFINED HEREIN).

THE VOTING DEADLINE TO ACCEPT OR REJECT THE PLAN IS 5:00 P.M. (CENTRAL TIME) ON MAY 22, 2026, UNLESS EXTENDED BY PREMIER MARKETING GROUP, LLC (THE "PLAN DEBTOR"). THE RECORD DATE FOR DETERMINING WHICH HOLDERS OF CLAIMS MAY VOTE ON THE PLAN IS MAY [●], 2026 (THE "VOTING RECORD DATE").

RECOMMENDATION BY THE FBG DEBTORS TO VOTE TO ACCEPT THE PLAN

The Special Committees of the Board of Managers of First Brands Group Holdings, LLC ("**FBG Holdings**"), First Brands Group Intermediate, LLC ("**FBG Intermediate**"), First Brands Group, LLC ("**FBG**"), and Viceroy Private Capital, LLC ("**Viceroy**" and, together with FBG Holdings and its Debtor subsidiaries, the "**FBG Debtors**") each have unanimously approved the transactions contemplated by the Plan, including the Global Settlement. The FBG Debtors believe the Plan is in the best interests of the FBG Debtors' estates and all stakeholders. Accordingly, the FBG Debtors recommend that holders of claims and interests whose votes are being solicited submit ballots to accept the Plan and support the Global Settlement.

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT (AS MAY BE AMENDED, SUPPLEMENTED, OR MODIFIED FROM TIME TO TIME, THE "DISCLOSURE STATEMENT") IS INCLUDED HEREIN FOR THE PURPOSES OF SOLICITING VOTES ON THE *CHAPTER 11 PLAN OF PREMIER MARKETING GROUP, LLC*, DATED APRIL 28, 2026 (THE "PLAN"),[1] AND MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN. A COPY OF THE PLAN IS ANNEXED HERETO AS EXHIBIT A. NO SOLICITATION OF VOTES TO ACCEPT OR REJECT THE PLAN MAY BE MADE EXCEPT PURSUANT TO SECTION 1125 OF CHAPTER 11 OF TITLE 11 OF THE UNITED STATES CODE (THE "BANKRUPTCY CODE").

ALL HOLDERS OF CLAIMS OR INTERESTS ARE ADVISED AND ENCOURAGED TO READ THE DISCLOSURE STATEMENT AND THE PLAN IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. IN PARTICULAR, ALL HOLDERS OF CLAIMS OR INTERESTS SHOULD CAREFULLY READ AND CONSIDER FULLY THE RISK FACTORS SET FORTH IN SECTION V (CERTAIN RISK FACTORS INVOLVING PLAN) OF THIS DISCLOSURE STATEMENT BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. THE PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN AND THE EXHIBITS ANNEXED TO THE PLAN AND THIS DISCLOSURE STATEMENT. IN THE EVENT OF ANY CONFLICT BETWEEN THE DESCRIPTIONS SET FORTH IN THIS DISCLOSURE

[1] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan or the First Day Declaration (as defined herein), as applicable.

STATEMENT AND THE TERMS OF THE PLAN, THE TERMS OF THE PLAN SHALL GOVERN.

THE DISCLOSURE STATEMENT HAS BEEN PREPARED BY THE PLAN DEBTOR IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016(b) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE (THE "BANKRUPTCY RULES") AND NOT NECESSARILY IN ACCORDANCE WITH OTHER NON-BANKRUPTCY LAW.

HOLDERS OF CLAIMS OR INTERESTS SHOULD NOT CONSTRUE THE CONTENTS OF THE DISCLOSURE STATEMENT AS PROVIDING ANY LEGAL, BUSINESS, FINANCIAL, OR TAX ADVICE AND SHOULD CONSULT WITH THEIR OWN ADVISORS BEFORE CASTING A VOTE WITH RESPECT TO THE PLAN.

CERTAIN STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT, INCLUDING FORWARD-LOOKING STATEMENTS, ARE BASED ON ESTIMATES AND ASSUMPTIONS, AND ARE NECESSARILY SPECULATIVE. THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS WILL BE REFLECTIVE OF ACTUAL OUTCOMES. FORWARD LOOKING STATEMENTS THAT ARE PROVIDED IN THIS DISCLOSURE STATEMENT SHOULD BE EVALUATED IN THE CONTEXT OF THE ESTIMATES, ASSUMPTIONS, UNCERTAINTIES, AND RISK DESCRIBED IN THIS DISCLOSURE STATEMENT.

FURTHER, READERS ARE CAUTIONED THAT ANY FORWARD-LOOKING STATEMENTS HEREIN ARE BASED ON ASSUMPTIONS THAT ARE BELIEVED TO BE REASONABLE, BUT ARE SUBJECT TO A WIDE RANGE OF RISKS IDENTIFIED IN THIS DISCLOSURE STATEMENT. DUE TO THESE UNCERTAINTIES, READERS CANNOT BE ASSURED THAT ANY FORWARD-LOOKING STATEMENTS WILL PROVE TO BE CORRECT. DUE TO THESE UNCERTAINTIES, READERS CANNOT BE ASSURED THAT ANY FORWARD-LOOKING STATEMENTS WILL PROVE TO BE CORRECT. NO REPRESENTATIONS OR WARRANTIES ARE MADE AS TO THE ACCURACY OF ANY FINANCIAL INFORMATION CONTAINED HEREIN OR ASSUMPTIONS REGARDING THE PLAN DEBTOR'S BUSINESS (OR THE BUSINESS OF ITS AFFILIATES) OR THE FUTURE RESULTS AND OPERATIONS THEREOF.

STATEMENTS CONTAINED HEREIN, INCLUDING FORWARD-LOOKING STATEMENTS AND PROEJCTED FINANCIAL INFORMATION, ARE BEING MADE BY THE DEBTORS AS OF THE DATE HEREOF, UNLESS SPECIFICALLY NOTED. THE PLAN DEBTOR IS UNDER NO OBLIGATION TO (AND EXPRESSLY DISCLAIMS ANY OBLIGATION TO) UPDATE OR ALTER ANY FORWARD-LOOKING STATEMENTS WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS, OR OTHERWISE, UNLESS INSTRUCTED TO DO SO BY THE BANKRUPTCY COURT.

THE STATEMENTS CONTAINED IN THE DISCLOSURE STATEMENT ARE MADE AS OF THE DATE HEREOF UNLESS OTHERWISE SPECIFIED.

THE PLAN DEBTOR HAS NOT AUTHORIZED ANY PERSON TO GIVE ANY INFORMATION OR ADVICE, OR TO MAKE ANY REPRESENTATION, IN CONNECTION WITH THE PLAN OR THE DISCLOSURE STATEMENT, EXCLUDING THE CREDITORS' COMMITTEE POSITION LETTER.

THE INFORMATION IN THE DISCLOSURE STATEMENT IS BEING PROVIDED SOLELY FOR PURPOSES OF VOTING TO ACCEPT OR REJECT THE PLAN OR OBJECTING TO

CONFIRMATION. NOTHING IN THE DISCLOSURE STATEMENT MAY BE USED BY ANY PARTY FOR ANY OTHER PURPOSE.

ALL EXHIBITS TO THE DISCLOSURE STATEMENT ARE INCORPORATED INTO AND ARE A PART OF THE DISCLOSURE STATEMENT AS IF SET FORTH IN FULL HEREIN.

PLEASE BE ADVISED THAT SECTIONS 14.4, 14.5, 14.6, 14.7 AND 14.8 OF THE PLAN CONTAIN RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, AND SUCH SECTIONS ARE ANNEXED HERETO AS EXHIBIT B. YOU SHOULD REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MAY BE AFFECTED.

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I. INTRODUCTION[1]

On September 24, 2025, Global Assets LLC and 12 of its Debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases, each commenced with the United States Bankruptcy Court for the Southern District of Texas (the "**Court** or the "**Bankruptcy Court**") a voluntary case under chapter 11 of the Bankruptcy Code. Commencing on September 28, 2025, FBG and its remaining Debtor affiliates (and, collectively with their non-Debtor subsidiaries, "**First Brands**" or the "**Company**") each commenced with the Bankruptcy Court a voluntary case under chapter 11 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes pursuant to Bankruptcy Rule 1015(b) and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Local Rules**").

The purpose of the Disclosure Statement is to provide creditors of the Plan Debtor with sufficiently detailed information to make an informed decision on whether to vote to accept or reject the Plan. The Disclosure Statement contains, among other things, a summary of (i) the treatment of Claims against and Interests in the Plan Debtor under the Plan; (ii) the Company's businesses and certain historical events; (iii) key events during these chapter 11 cases; (iv) certain risk factors involving the Plan; and (v) the standard for seeking confirmation of the Plan.

The Disclosure Statement describes the chapter 11 plan of the Plan Debtor and classifies and treats Claims against and Interests in the Plan Debtor only. In addition, as described in greater detail below, in connection with the Global Settlement (as defined below) and solicitation of the Plan, certain creditors of the FBG Debtors (i.e., the Eligible Creditors) will be permitted to share in the recoveries realized by the Litigation Trust established under the Plan. Following the Effective Date, the chapter 11 cases of the Debtors other than the Plan Debtor will be converted to cases under chapter 7 of the Bankruptcy Code.

As described in more detail below, faced with a number of operational and financial challenges, the Debtors commenced these chapter 11 cases to, among other things, stabilize their business, raise debtor-in-possession ("**DIP**") financing, pursue value-maximizing transactions, and recover estate property for the benefit of the Debtors' creditors. After securing $1.1 billion of new money DIP financing, the Debtors, with the assistance of their investment banker, Lazard Frères & Co. LLC ("**Lazard**"), launched a marketing process in January 2026 to sell all or substantially all of their assets. However, due to ongoing liquidity challenges and an inability to raise new financing, it became clear that consummating a whole-company sale of the Debtors' businesses was no longer feasible. Accordingly, in late January 2026, the Debtors announced they would wind down certain of their unprofitable business units in chapter 11, while pursuing going-concern sales of other businesses, as well as certain targeted asset sales with the support of their original equipment manufacturer customers (the "**OEMs**"), the Ad Hoc Group, and the ABL Secured Parties. The Debtors then engaged their key stakeholders, including advisors to the Ad Hoc Group and the Creditors' Committee, in discussions as to how to orderly wind down the Debtors' estates and bring the chapter 11 cases to a resolution while maximizing recoveries for all constituents.

On January 29, 2026, the Debtors initiated a consensual mediation process overseen by the Honorable Judge Marvin Isgur to address, among other things, a case resolution. Following months of mediation, the Debtors, the Ad Hoc Group, and the Creditors' Committee reached a settlement in principle regarding the terms of the orderly wind down of the Debtors' estates through a chapter 11 plan and other transactions (the "**Global Settlement**"). The Debtors, the Ad Hoc Group, and the Creditors' Committee continue to work towards resolving a few open issues and finalizing the terms of the Global Settlement, which will be set forth in the Definitive Documents. Therefore, although the Plan only treats claims and

[1] Capitalized terms used but not defined in the Introduction shall have the meanings ascribed to such terms elsewhere in this Disclosure Statement or the Plan, as applicable.

interests asserted against the Plan Debtor (which the Debtors believe are limited to secured claims asserted by the DIP Secured Parties, Term Loan Lenders, and the ABL Secured Parties, and unsecured claims of the Pension Benefit Guarantee Corporation), the Global Settlement provides for a structure to (i) monetize all of the FBG Debtors' remaining assets and (ii) allocate recoveries on Estate Claims among creditors in accordance with an agreed waterfall without litigation. Among other things, the Global Settlement contemplates a series of transactions that provide for the transfer of the FBG Debtors' assets into various trusts to be monetized for the benefit of the FBG Debtors' creditors, including:

- a credit bid by the DIP Secured Parties (the "**Estate Claims Credit Bid**") for the transfer of all Estate Claims of the FBG Debtors (the "**Litigation Trust Assets**") to the Plan Debtor and subsequent transfer of such Estate Claims to a trust (the "**Litigation Trust**") that will prosecute and monetize such Estate Claims for the benefit of creditors of the FBG Debtors (including administrative, priority, and general unsecured creditors of the FBG Debtors);

- a credit bid by the DIP Secured Parties (the "**DIP Collateral Credit Bid**") for the transfer of other DIP Collateral to be set forth in a schedule filed as part of the Plan Supplement (the "**DIP Collateral Trust Assets**") to the Plan Debtor and subsequent transfer of such DIP Collateral Trust Assets to a trust for the benefit of the DIP Secured Parties (the "**DIP Collateral Trust**"); and

- a consensual foreclosure by the ABL Secured Parties of the ABL Priority Collateral to be set forth in a schedule filed as part of the Plan Supplement (the "**ABL Collateral Trust Assets**") and subsequent transfer of such ABL Collateral Trust Assets to a trust for the benefit of the ABL Secured Parties (the "**ABL Collateral Trust**").

The Litigation Trust will be funded with at least $75 million, including (i) $25 million of cash from the FBG Debtors' balance sheet, (ii) $50 million of new committed funding provided by certain holders of DIP A Claims (i.e., the Litigation Trust Funding Contributors), and (iii) additional funding up to an amount and on terms to be disclosed to the Bankruptcy Court. Proceeds from the monetization of the Litigation Trust Assets will be distributed in accordance with the agreed waterfall described below (the "**Litigation Trust Waterfall**").

Importantly, the Global Settlement allows eligible junior creditors of the FBG Debtors (including administrative creditors, priority creditors, and general unsecured creditors) to receive distributions of proceeds of Estate Claims that otherwise constitute DIP Collateral and that the DIP Lenders may be entitled to foreclose upon if they were to call a default and obtain relief from the automatic stay under the DIP Order. Notwithstanding the DIP Secured Parties' alleged rights and remedies under the DIP Order, as part of the Global Settlement, the DIP Secured Parties have agreed to support the Plan and Global Settlement, including consenting to the continued use of cash collateral pursuant to an agreed budget, providing litigation funding to the Litigation Trust, and allowing holders of Administrative Expense Claims, Other Secured Claims, Priority Tax Claims, Other Priority Claims, and General Unsecured Claims against the FBG Debtors (other than Ineligible Creditors) to receive distributions from the Litigation Trust. Under the Litigation Trust Waterfall, following aggregate distributions of $400 million from the Litigation Trust, Electing Creditors will begin sharing in the proceeds from the monetization of the Litigation Trust Assets. The Global Settlement, therefore, provides an opportunity for Electing Creditors to receive distributions on account of their Claims before the repayment in full in cash of senior secured obligations. As set forth in the DIP Order, certain of the Estate Claims (i.e., previously encumbered claims) are subject to senior liens for the full amount of the outstanding DIP obligations and prepetition term loan claims (approximately $7.5 billion) and other Estate Claims (or the proceeds thereof) are subject to senior DIP liens for approximately $2.5 billion in aggregate DIP Claims (i.e., approximately $1.4 billion in DIP A Claims and $1.1 billion in Roll-Up Claims). Given the outstanding amount of such senior secured obligations, the

Debtors believe that, absent the Global Settlement, the Electing Creditors may not receive any recovery through the Chapter 11 Cases on account of their Claims.

As set forth in more detail below, the Eligible Creditors who fail to opt out of the Global Settlement by the Election Deadline (as defined in the Solicitation and Voting Procedures) will be deemed to (i) have waived any objections to the Plan, Confirmation Order, and any related settlements and relief sought in furtherance thereof, including the Global Settlement, (ii) grant the releases contained in Section 14.5(b) of the Plan; and (iii) have their Claims against the FBG Debtors consolidated such that each Electing Creditor shall have a single Electing Creditor Claim for purposes of receiving Class 3(b) Litigation Trust Interests and receiving distributions from the Litigation Trust, regardless of any joint and several liability among the FBG Debtors. The Electing Creditor Claims of such holders are preserved and may continue to be asserted against the chapter 7 estates of the applicable FBG Debtors, and distributions from the Litigation Trust following the Effective Date will not reduce the amount of such Claims. Moreover, in accordance with the Global Settlement, (i) Preference Actions against Trade Creditors who become Electing Creditors will be released under the Plan, and (ii) the Plan will provide for certain procedures with respect to Preference Actions asserted against Supply Chain Financers and Factors, as described in more detail in Section 6.8(d) of the Plan.

The Debtors intend to file a motion seeking approval of the Global Settlement in connection with confirmation, including seeking approval of (i) the various settlements under Bankruptcy Rule 9019 reached between the FBG Debtors, Creditors Committee, and Ad Hoc Group, (ii) sales of estate property pursuant to section 363 of the Bankruptcy Code, (iv) conversion of the Converting Debtors' chapter 11 cases to chapter 7 on or following the Effective Date, and (iv) other related relief. The Debtors anticipate filing the Global Settlement Motion shortly before the hearing to approve the Disclosure Statement on a conditional basis, and will seek to have such motion heard at the Confirmation Hearing on shortened notice.

The FBG Debtors believe that the Plan provides all holders of Claims at each FBG Debtor greater recoveries than any alternative path, including dismissal of the chapter 11 cases or the immediate conversion of the chapter 11 cases to proceedings under chapter 7 of the Bankruptcy Code without the benefits of the Global Settlement.

A. OVERVIEW OF THE PLAN AND GLOBAL SETTLEMENT

The FBG Debtors believe the Plan and Global Settlement maximize value for all stakeholders. The Plan contemplates an orderly wind down of the FBG Debtors and the distribution of value through three liquidating trusts—the Litigation Trust, the DIP Collateral Trust, and the ABL Collateral Trust—to holders of Allowed Claims and Electing Creditor Claims in accordance with the waterfalls set forth in the Plan. The nature of the assets to be transferred to the Trusts under the Plan and the beneficiaries of such Trusts corresponds to the rights of the Debtors' creditors in such assets as stated in the DIP Order and related documents. Specifically, (i) the ABL Collateral Trust Assets consist of ABL Priority Collateral (e.g., certain inventory and accounts receivable) and the ABL Trust Beneficiaries include the ABL Secured Parties, (ii) the DIP Collateral Trust Assets consist of certain DIP Collateral (other than Litigation Trust Assets and ABL Collateral Trust Assets) (e.g., intellectual property, real estate, and certain machinery and equipment) and the DIP Collateral Trust Beneficiaries are the DIP Secured Parties, and (iii) the Litigation Trust Assets include Estate Claims of the FBG Debtors that are, or their proceeds are, DIP Collateral and the Litigation Trust Beneficiaries include the DIP Secured Parties, as well as certain other junior creditors pursuant to the Global Settlement reached with the Ad Hoc Group and Creditors' Committee. The beneficial interests in each Trust will be non-transferable and non-assignable except by will, intestate succession, or operation of law.

In addition, on or prior to the Effective Date, a Direct Claims Trust will be established pursuant to which Eligible Creditors as well as holders of Roll-Up Claims, First Lien Claims, and Second Lien Claims will be given the option to contribute certain of their direct (non-derivative) claims (i) against non-Debtor parties (other than a Released Party) and (ii) that relate to First Brands' prepetition operations (i.e., the Direct Creditor Claims) to a trust for joint prosecution. Additional details regarding the Direct Claims Trust, including governance and the method for distributing proceeds among beneficiaries, will be set forth in the Plan Supplement.

The Plan Supplement will contain, among other documents, (i) the Schedule of Retained Causes of Action; (ii) the disclosure of the identity of the Wind Down Administrator; (iii) the Wind Down Budget; (iv) the disclosure of the identity of the GUC Ombudsman; (v) the disclosure of the identity of the Litigation Trustee; (vi) the disclosure of the identity of the initial members of the Litigation Trust Oversight Committee; (vii) the Litigation Trust Agreement and any Litigation Funding Agreement; (viii) a schedule of the Litigation Trust Assets; (ix) the Estate Credit Bid APA; (x) the Litigation List; (xi) the disclosure of the identity of the DIP Collateral Trustee; (xii) the DIP Collateral Trust Agreement; (xiii) a schedule of the DIP Collateral Trust Assets; (xiv) the DIP Collateral Credit Bid APA; (xv) the disclosure of the identity of the ABL Collateral Trustee; (xvi) the ABL Collateral Trust Agreement; (xvii) a schedule of the ABL Collateral Trust Assets; (xviii) the Emergence Steps Memo; and (xix) a non-exhaustive schedule listing Persons who are not Released Parties or Representatives under the Plan.

1. ***Litigation Trust***

On the Effective Date, the Litigation Trust will be established in accordance with the Litigation Trust Agreement for the purpose of being vested with and liquidating the Litigation Trust Assets and making distributions to the Litigation Trust Beneficiaries. The Litigation Trust will be managed by the Litigation Trustee, whose identity will be disclosed in the Plan Supplement, under the supervision of the Litigation Trust Oversight Committee, which initially will be comprised of four members, including three members appointed by certain members of the Ad Hoc Group and one member appointed by the Creditors' Committee (the "**UCC Member**"). Pursuant to the Litigation Trust Agreement, (i) certain approval rights shall be delegated to the Litigation Trustee, (ii) the Litigation Trust Oversight Committee shall retain the right to approve certain other decisions ("**Major Decisions**"), and (iii) certain other decisions shall require the affirmative vote of the UCC Member ("**Sacred Rights**"). The scope of the Major Decisions and Sacred Rights will be set forth in the Litigation Trust Agreement, which will be filed with the Plan Supplement.

(a) Litigation Trust Assets and Funding

The Litigation Trust Assets will primarily consist of all Claims and Causes of Action of the FBG Debtors' estates (i.e., the Estate Claims). The Estate Claims include the Claims and Causes of Action asserted by the FBG Debtors in the James Complaint and Onset Complaint, as defined and described in more detail below, as well as certain additional Claims and Causes of Action of the FBG Debtors, which are described below.

The Litigation Trust will be funded by (i) $25,000,000 in Cash from the FBG Debtors' balance sheet, (ii) $50,000,000 of Litigation Trust Funding Commitments provided by the Litigation Trust Funding Contributors pursuant to the Litigation Trust Agreement, and (iii) additional funding up to an amount and on terms to be disclosed to the Bankruptcy Court. These funds will be available to pay the costs of administering the Litigation Trust and monetizing the Litigation Trust Assets, including costs associated with prosecuting, settling, or otherwise disposing of the Estate Claims. The Litigation Trust will be authorized to use the proceeds of the Litigation Trust Funding Contributions in accordance with the terms of the Plan, the Confirmation Order, and the Litigation Trust Agreement without further notice to or order of the Bankruptcy Court.

The Litigation Trust's primary purpose is monetizing the Estate Claims and distributing the proceeds to the Litigation Trust Beneficiaries, with no objective to continue or engage in the conduct of a trade or business except to the extent reasonably necessary to, and consistent with, the Litigation Trust's liquidating purpose.

The Litigation Trust shall be vested with the Litigation Trust Assets on the Effective Date. The Litigation Trust Assets will include all Estate Claims[2] and certain related assets of the FBG Debtors, including, but not limited to:

- **Patrick James Adversary Claims.** Claims related to the adversary proceeding among the Debtors, Patrick James (the "**Founder**"), and certain related entities titled *First Brands Group LLC v. James*, Adv. Pro. No. 25-3803 (CML) (Bankr. S.D. Tex. 2025) (as may be amended or supplemented, the "**James Adversary Proceeding**").[3] In the James Adversary Proceeding, the Debtors seek to recover assets that were transferred to James and related entities from the estate, and pursue various claims against James and other individuals involved in the Founder's alleged fraud. The complaint alleges that the Founder used his control over First Brands to obtain financing, divert proceeds, and transfer substantial value to himself, his trust, and affiliated entities, including alleged transfers of more than $700 million between 2018 and 2025. In addition, the complaint asserts claims for actual and constructive fraudulent transfer, unjust enrichment, constructive trust, equitable accounting, money had and received, and illegal dividend claims, with the Debtors also reserving rights to add defendants and causes of action as their investigation develops. On April 17, 2026, Judge Lopez ordered a stay of discovery in the James Adversary Proceeding pending the resolution of parallel criminal proceedings which are scheduled for trial in July.

- **Onset Adversary Claims**. Claims related to the adversary proceeding among the Debtors, Onset Financial Inc. ("**Onset**"), Edward James (the "**Founder's Brother**"), and certain related entities,

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[2] "**Estate Claims**" is defined in the Plan to include any and all claims and/or remedies that are held or controlled by, or which were or could have been asserted by, the FBG Debtors or their Estates against any Person, seeking relief or recovery arising from harm to any FBG Debtor, any FBG Debtor's Estate, or the FBG Debtors' creditors taken as a whole, based on any legal theory, including, without limitation, such claims and/or remedies under federal or state law, statutory or common law, in equity or otherwise, arising out of or in any way related to (i) the FBG Debtors; (ii) the Chapter 11 Cases; (iii) the Estates; and/or (iv) the ownership, management, operation, status, tenure, conduct, omission, action or inaction at any time of a stockholder, affiliate, owner, partner, member, manager, director, officer, employee, servant, agent, representative, attorney, creditor, successor, assign, or other relationship with any FBG Debtor and/or any of its predecessors, in each case, including, without limitation, such claims and/or remedies that are actions, causes of action, lawsuits, suits, claims, counterclaims, cross-claims, liabilities, interests, judgments, obligations, rights, demands, debts, damages, losses, grievances, promises, remedies, liens, attachments, garnishments, prejudgment and post-judgment interest, costs and expenses (including attorneys' fees and costs incurred or to be incurred), including unknown Claims to the maximum extent allowed under the law, whether pled or unpled, fixed or contingent, choate or inchoate, matured or unmatured, foreseen or unforeseen, accrued or unaccrued, past, present, or future, for fraudulent transfer, fraudulent conveyance, preference, turnover, breach of fiduciary duty, negligence, gross negligence, mismanagement, civil conspiracy, RICO, aiding and abetting, unjust enrichment, constructive trust, equitable subordination, equitable disallowance, agency, joint venture, alter ego, corporate veil piercing, successor liability, and all other such claims and/or remedies, Recovery Actions, Recovery Action Proceeds, Avoidance Actions, and Avoidance Proceeds; *provided, further* that Estate Claims shall also include any claim that is a general claim with no particularized injury arising from it, any claim that could be brought by any creditor of the FBG Debtor, or any other claim that is in substance an Estate Claim. For the avoidance of doubt, Estate Claims shall not include any claims and/or remedies that are held or controlled by an SPV Debtor.

[3] Parties may review details of the James Adversary Proceeding, including the filed complaint, on the Debtors' website at https://restructuring.ra.kroll.com/firstbrands, by referring to Adv. Pro. No. 25-3803 (CML).

titled *First Brands Group LLC v. Onset*, Adv. Pro. No. 26-03005 (CML) (Bankr. S.D. Tex. 2026) (as may be amended or supplemented, the "**Onset Adversary Proceeding**").[4] In the complaint, the Debtors seek to, among other things, avoid and recover more than $2 billion dollars in alleged actual and constructive fraudulent transfers under chapter 5 of the Bankruptcy Code made to Onset and its investors in connection with purported sale-leaseback transactions. The complaint also asserts claims against the Founder's Brother for breach of contract and fiduciary duties, and against Onset for tortious interference with contract and aiding and abetting breach of fiduciary duty, among other claims. Onset and its funding partners have filed motions to dismiss the complaint, and asserted various counterclaims, third-party claims, and cross-claims. On March 24, 2026, Judge Lopez entered an order granting the Debtors' request to stay the Onset Adversary Proceeding for sixty (60) days.

- **Avoidance Actions.** Avoidance Actions include any and all actual or potential Claims and Causes of Action to avoid a transfer of property or an obligation incurred by the Debtors or their Estates arising under (i) chapter 5 of the Bankruptcy Code, including sections 502(d), 544, 545, 547, 548, 549, 550, 551, or 553(b) of the Bankruptcy Code, or (ii) applicable non-bankruptcy law, including any state or foreign law governing fraudulent or otherwise avoidable obligations, transfers, or conveyances.

- **Recovery Actions.** The Recovery Actions, as defined in the DIP Order, include (i) any proceeds or property recovered, unencumbered or otherwise, from Avoidance Actions, whether by judgment, settlement, or otherwise; (ii) commercial tort claims, other estate claims and causes of action, and the proceeds of the foregoing; (iii) the proceeds of property recovered, whether by judgment, settlement, or otherwise from all claims and causes of action under section 549 of the Bankruptcy Code (and section 550 of the Bankruptcy Code solely as to claims and causes of action under section 549) to recover any postpetition transfer of property; and (iv) all amounts recovered by the Debtors' estates under section 506(c) of the Bankruptcy Code.

- **Government Forfeiture Proceeds.** All assets or other interests in property made payable to or otherwise acquired by any of the FBG Debtors (or their estates) as a result of any government enforcement action, including as a result of any forfeiture proceeding, order of restitution, or governmental settlement agreement.

- **All Other Claims.** Any and all other claims and/or remedies that are held or controlled by, or which were or could have been asserted by, the FBG Debtors or their Estates against any Person, seeking relief or recovery arising from harm to any FBG Debtor, any FBG Debtors' estates, or the FBG Debtors' creditors taken as a whole, based on any legal theory, including, without limitation, for fraudulent transfer, fraudulent conveyance, preference, turnover, breach of fiduciary duty, negligence, gross negligence, mismanagement, civil conspiracy, RICO, aiding and abetting, unjust enrichment, constructive trust, equitable subordination, equitable disallowance, agency, joint venture, alter ego, corporate veil piercing, successor liability, and all other such claims and/or remedies.

- **Insurance Recoveries.** All rights of the FBG Debtors to recover proceeds from insurance policies that provide or may provide coverage for the Estate Claims. For the avoidance of doubt, these include all liability insurance policies of directors and officers (including any runoff policies or tail policies related to or associated with the foregoing) issued or providing coverage at any time to any

[4] Parties may review details of the Onset Adversary Proceeding, including the filed complaint, on the Debtors' website at https://restructuring.ra.kroll.com/firstbrands, by referring to Adv. Pro. No. 26-03005 (CML).

of the FBG Debtors, for current or former directors', managers', and officers' liability and all agreements, documents, or instruments relating thereto.

(b) Litigation Trust Beneficiaries

The Litigation Trust will issue three classes of beneficial interests:

i. Class 1 Litigation Trust Interests, granted to the Litigation Trust Funding Contributors on account of the Litigation Trust Funding Contributions;

ii. Class 2 Litigation Trust Interests, granted to the holders of Allowed DIP A Claims; and

iii. Class 3 Litigation Trust Interests, comprised of (A) Class 3(a) Litigation Trust Interests, granted to the holders of Allowed Roll-Up Claims, (B) Class 3(b) Litigation Trust Interests, granted to the GUC Ombudsman, as agent to the holders of Electing Creditor Claims, and (C) Class 3(c) Litigation Trust Interests, granted to the holders of Allowed First Lien Claims and Second Lien Claims.

Each such class of beneficial interest will entitle its holders to share in distributions of proceeds from the monetization of the Litigation Trust Assets in accordance with the Litigation Trust Waterfall, as described below.

(c) Litigation Trust Waterfall

Distributions from the Litigation Trust are subject to the priorities set forth in the Litigation Trust Waterfall under Section 6.3 of the Plan, which provides for distributions among the three classes of Litigation Trust Interests as follows:

(i) *First*, to holders of Class 1 Litigation Trust Interests, which will receive the amounts to which they are entitled pursuant to Section 6.4 of the Plan solely in respect of the Litigation Trust Funding Commitments (the "**First Return Threshold**");

(ii) *Second*, following satisfaction of the First Return Threshold until aggregate distributions (including distributions pursuant to Section 6.4 of the Plan) are equal to $400,000,000 (the "**Second Return Threshold**"), (a) 15% to the holders of Class 1 Litigation Trust Interests, and (b) 85% to holders of Class 2 Litigation Trust Interests;

(iii) *Third*, following the satisfaction of the Second Return Threshold until aggregate distributions to holders of Class 2 Litigation Trust Interests equal to the sum of the Allowed amount of the DIP A Claims (as of the Effective Date), *plus*, without duplication, any Credit Bid Claims (the "**Final Return Threshold**"), (a) 10% to holders of Class 1 Litigation Trust Interests, (b) 74% to holders of Class 2 Litigation Trust Interests, and (c) 16% to the holders of Class 3 Litigation Trust Interests; and

(iv) *Fourth*, following the satisfaction of the Final Return Threshold, (a) 10% to the holders of Class 1 Litigation Trust Interests and (b) 90% to the holders of Class 3 Litigation Trust Interests.

Distributions to holders of Class 1 Litigation Trust Interests described above will be paid in accordance with the following waterfall set forth in Section 6.4 of the Plan:

(i) *First*, to the Litigation Trust Funding Contributors, pro rata in accordance with their respective Litigation Trust Funding Contributions, until each Litigation Trust Funding Contributor has received an amount equal to the greater of (i) an internal rate of return on such Litigation Trust Funding Contributions equal to 20.0% and (ii) a multiple on invested capital on such Litigation Trust Funding Contributions of 1.75x, with each of such returns being measured from the date of such Litigation Trust Funding Contributions;

(ii) *Second*, to the Litigation Trust Funding Contributors, pro rata in accordance with the amounts of their respective undrawn Litigation Trust Funding Commitments, until each such Litigation Trust Funding Contributor has received an amount equal to 5.0% of the amount of such undrawn Litigation Trust Funding Commitment;

(iii) *Third*, to the Backstop Parties until each such Backstop Party has received an amount equal to 5.0% of the amount of such Backstop Party's Litigation Trust Funding Commitment (whether drawn or undrawn) backstopped by such Backstop Party; and

(iv) *Fourth*, to the Litigation Trust Funding Contributors, pro rata in accordance with the amounts of their respective Litigation Trust Funding Commitments (whether drawn or undrawn, and whether or not the Commitment Period (as defined in the Litigation Trust Agreement) has lapsed), for all Litigation Trust Funding Contributors, for the life of the Litigation Trust.

Distributions to (i) holders of Class 2 Litigation Trust Interests described above will be paid pro rata based on the Class 2 Litigation Trust Interests held by such holders; and (ii) holders of Class 3 Litigation Trust Interests described above will be paid pro rata based on the aggregate Allowed amount of Roll-Up Claims, Electing Creditor Claims, First Lien Claims, and Second Lien Claims held by such holders.

(d) Electing Creditors

The Global Settlement permits holders of Administrative Expense Claims, Other Secured Claims, Priority Tax Claims, Other Priority Claims, and General Unsecured Claims against the FBG Debtors (other than the Plan Debtor) (excluding Ineligible Creditors) (collectively, the "**Eligible Creditors**") to receive distributions from the Litigation Trust before the indefeasible payment in full of certain senior secured claims. Absent the Global Settlement, the FBG Debtors believe it is unlikely Eligible Creditors would receive any recovery on account of their Claims from the FBG Debtors' estates, including if such estates were converted to chapter 7.

Pursuant to the Global Settlement, Eligible Creditors will be given the option in connection with solicitation of the Plan to not participate in the Global Settlement. All Eligible Creditors who do not timely

elect not to participate in the Global Settlement and who are not an Ineligible Creditor will be treated as "Electing Creditors" and the Administrative Expense, Other Secured, Priority Tax, Other Priority, and General Unsecured Claims of such Electing Creditors will be treated as "Electing Creditor Claims." Under the Plan, the Electing Creditors will receive, on account of their Electing Creditor Claims, Class 3(b) Litigation Trust Interests which will entitle such holders to receive distributions from the Litigation Trust, as described above.

Pursuant to the Global Settlement and the Litigation Trust Waterfall, Electing Creditors will begin to receive distributions from the Litigation Trust after the Litigation Trust has distributed $400 million of net proceeds to other beneficial interest holders. Following $400 million of distributions, 16% of all net proceeds will be shared pro rata among holders of (i) Roll-Up Claims, (ii) First Lien Claims, (iii) Second Lien Claims, and (iv) Electing Creditor Claims (i.e., (i)–(iv), collectively, the holders of Class 3 Litigation Trust Interests). Following the distribution of net proceeds from the Litigation Trust to the holders of Class 2 Litigation Trust Interests totaling the sum of the Allowed amount of the DIP A Claims (as of the Effective Date), *plus*, without duplication, any Credit Bid Claims, 90% of all net proceeds will be shared pro rata among holders of Roll-Up Claims, First Lien Claims, Second Lien Claims, and Electing Creditor Claims.

In exchange for becoming an Electing Creditor, each Electing Creditor will be deemed to (i) have waived any objections to the Plan, Confirmation Order, and any related settlements and relief sought in furtherance thereof, including the Global Settlement; (ii) be a Releasing Party and grant the releases contained in Section 14.5(b) of the Plan; (iii) solely for the purpose of receiving Class 3(b) Litigation Trust Interests, have its Claims against the FBG Debtors consolidated such that each Electing Creditor shall have a single Electing Creditor Claim, regardless of any joint and several liability among the FBG Debtors.

Certain holders of claims are not eligible to receive distributions from the Litigation Trust. These Ineligible Holders include: (1) in accordance with section 502(d) of the Bankruptcy Code, (a) any defendants named or to be named in the James Complaint or Onset Complaint, or (b) any Person who, in the reasonable discretion of the Litigation Trustee, (i) engaged in wrongful, actual or constructively fraudulent conduct against the Debtors, affiliates of the Debtors, or otherwise participated, conspired with, or acted in concert with, any entity that participated in wrongful, actual, or constructively fraudulent conduct against any Debtors, creditors, or lenders of the Debtors (or affiliates of the Debtors), (ii) received an avoidable transfer on grounds other than section 547 of the Bankruptcy Code from the Debtors, or (iii) received a transfer in bad faith (collectively, (i) through (iii), "**Adverse Conduct**"); (2) any SPV Lender; (3) the ABL Secured Parties; and (4) the Converting Debtors. Under the Plan, the Litigation Trustee is authorized to determine whether any Electing Creditor is an Ineligible Creditor prior to making any distributions to holders of Class 3 Litigation Trust Interests; *provided* that an Ineligible Creditor may seek relief from the Bankruptcy Court opposing such a determination.

(e) Non-Transferability

The Litigation Trust Interests will be non-certificated and shall be non-transferable and non-assignable except by will, intestate succession, or operation of law.

2. ***DIP Collateral Trust***

On or prior to the Effective Date, the DIP Collateral Trust will be established in accordance with the DIP Collateral Trust Agreement for the purpose of being vested with and liquidating the DIP Collateral Trust Assets and making distributions to the DIP Collateral Trust Beneficiaries. The DIP Collateral Trust will be administered by the DIP Collateral Trustee, whose identity will be disclosed in the Plan Supplement.

(a) DIP Collateral Trust Assets

The DIP Collateral Trust Assets consist of all DIP Collateral (other than the Litigation Trust Assets and the ABL Collateral Trust Assets) for which, on the date the DIP Collateral Trust is established, (i) no bona fide dispute exists as to whether the DIP Secured Parties have a validly perfected Lien in such collateral, senior in lien priority to the liens securing the ABL Claims, or (ii) if such a bona fide dispute exists, it is subsequently determined by a court of competent jurisdiction pursuant to a Final Order or settlement that the DIP Secured Parties have a validly perfected, first-priority Lien in such collateral, including the DIP SPV Collateral Trust Recoveries. These assets include certain real estate, intellectual property, certain machinery and equipment, among other property. The DIP Collateral Trust Assets will be identified in a schedule to be filed as part of the Plan Supplement.

(b) DIP Collateral Trust Beneficiaries

The DIP Collateral Trust will issue three classes of beneficial interests: (i) Class 1 DIP Collateral Trust Interests, granted to the DIP Collateral Funding Parties (as defined in the DIP Collateral Trust Agreement); (ii) Class 2 DIP Collateral Trust Interests, granted to the holders of Allowed DIP A Claims; and (iii) Class 3 DIP Collateral Trust Interests, granted to the holders of Allowed Roll-Up Claims. Each such beneficial interest will entitle its holder to share in distributions in accordance with the DIP Collateral Trust Waterfall.

(c) DIP Collateral Trust Waterfall

Proceeds of the DIP Collateral Trust Assets will be distributed to the DIP Collateral Trust Beneficiaries pursuant to the DIP Collateral Trust Agreement, which will be filed with the Plan Supplement.

(d) Non-Transferability

The DIP Collateral Trust Interests will be non-certificated and shall be non-transferable and non-assignable except by will, intestate succession, or operation of law.

3. ***ABL Collateral Trust***

On or prior to the Effective Date, the ABL Collateral Trust will be established in accordance with the ABL Collateral Trust Agreement for the purpose of being vested with and liquidating the ABL Collateral Trust Assets and making distributions to the ABL Collateral Trust Beneficiaries. The ABL Collateral Trust will be administered by the ABL Collateral Trustee, whose identity will be disclosed in the Plan Supplement. The ABL Agent will select the initial ABL Collateral Trustee, and the ABL Agent will have the sole right to remove and replace the ABL Collateral Trustee.

(a) ABL Collateral Trust Assets

The ABL Collateral Trust Assets consist of any ABL Priority Collateral for which, on the date the ABL Collateral Trust is established, (i) no bona fide dispute exists as to whether the ABL Secured Parties have a validly perfected, Lien on such collateral, senior in lien priority to liens securing the DIP Claims, or (ii) if such a bona fide dispute exists, it is subsequently determined by a court of competent jurisdiction pursuant to a Final Order or settlement that the ABL Secured Parties have a validly perfected, first-priority Lien on such collateral. These assets include certain accounts receivable and inventory of the FBG Debtors. The ABL Collateral Trust Assets will be identified in a schedule to be filed as part of the Plan Supplement.

(b) ABL Collateral Trust Beneficiaries

The ABL Collateral Trust will issue a single class of beneficial interests: ABL Collateral Trust Interests, granted to the holders of Allowed ABL Claims. Each such beneficial interest will entitle each holder to share in distributions in accordance with the ABL Collateral Trust Waterfall.

(c) ABL Collateral Trust Waterfall

Proceeds of the ABL Collateral Trust Assets will be distributed pursuant to the ABL Collateral Trust Waterfall set forth in Section 8.3 of the Plan as follows: one-hundred percent (100%) of such proceeds will be distributed to the ABL Collateral Trust Beneficiaries until aggregate distributions equal the Allowed amount of the ABL Claims; *provided* that any proceeds of the ABL Collateral Trust Assets in excess of the Allowed amount of the ABL Claims will be deemed to be DIP Collateral Trust Assets and will be turned over to the DIP Collateral Trust and distributed in accordance with Section 7.3 of the Plan. Distributions to holders of ABL Collateral Trust Interests will be paid pro rata based on the ABL Collateral Trust Interests held by such holders.

(d) Non-Transferability

The ABL Collateral Trust Interests will be non-certificated and shall be non-transferable and non-assignable except by will, intestate succession, or operation of law.

4. ***Direct Claims Trust***

On or prior to the Effective Date, the Direct Claims Trust will be established. Participation in the Direct Claims Trust is entirely voluntary. Each Eligible Creditor will be afforded the opportunity to contribute its Direct Creditor Claims to the Direct Claims Trust by timely, properly, and affirmatively opting in on the Direct Claims Trust Election Form. Any Eligible Creditor that does not so elect will retain its Direct Creditor Claims, will not become a Direct Claims Trust Electing Creditor, and will not be entitled to any distribution from the Direct Claims Trust. The Direct Claims Trust will not be vested with, or funded by, any assets of the Debtors' estates; rather, the Direct Claims Trust Assets will consist solely of the Direct Creditor Claims of the Direct Claims Trust Electing Creditors, which are direct (non-derivative) claims held by those creditors against non-Debtor third parties and relating to the prepetition activities of First Brands.

The Creditors' Committee has indicated that the methodology for allocating and distributing the proceeds from the monetization of the Direct Claims Trust Assets among the Direct Claims Trust Beneficiaries will be set forth in the Direct Claims Trust Agreement, which will be provided to the Eligible Creditors by or on behalf of the Creditors' Committee, and will disclose the identity of the Direct Claims Trustee and the governance arrangements for the Direct Claims Trust. Holders of Direct Creditor Claims with questions regarding the Direct Claims Trust or the opt-in process are encouraged to contact the Creditors' Committee.

(a) Non-Transferability

The Direct Claims Trust Interests will be non-certificated and shall be non-transferable and non-assignable except by will, intestate succession, or operation of law.

B. ELECTING CREDITOR FAQs

As discussed above, all Eligible Creditors who do not timely opt out of the Global Settlement and who are not an Ineligible Creditor will receive distributions from the Litigation Trust in accordance with the Plan and the Litigation Trust Waterfall. The following provides answers to frequently asked questions regarding the treatment of Electing Creditors under the Plan.

1. *What Happens if a Holder Does Not Opt-Out?*

All Eligible Creditors that (i) receive a Global Settlement Election Form but do not (ii) timely, properly, and affirmatively opt out of the Global Settlement by the applicable deadline noted on the Global Settlement Election Form will be an Electing Creditor for purposes of the Plan and Global Settlement, unless determined to be an Ineligible Creditor.

Under the Plan, Electing Creditors will receive their Pro Rata Share of the Class 3(b) Litigation Trust Interests. These interests will entitle such holders to receive potential distributions from the Litigation Trust. Under the Litigation Trust Waterfall, Electing Creditors will receive their pro rata share of (i) 16% of all proceeds from the monetization of the Litigation Trust Assets after the Litigation Trust has distributed $400 million of net proceeds and (ii) 90% of all proceeds from the monetization of the Litigation Trust Assets after the Litigation Trust has distributed net proceeds to holders of Class 2 Litigation Trust Interests totaling the Allowed amount of the DIP A Claims (as of the of the Effective Date), *plus,* without duplication, any Credit Bid Claims.[5] However, the Litigation Trust and any and all distributions contemplated to holders of Class 3(b) Litigation Trust Interests thereby are contingent upon confirmation of the Plan and approval of the Global Settlement. Eligible Creditors that become Electing Creditors will not receive Class 3(b) Litigation Trust Interests in the event that the Plan and the Global Settlement are not approved and consummated.

In exchange for receiving the Class 3(b) Litigation Trust Interests, Electing Creditors will be deemed to (i) have waived any objections to the Plan, Confirmation Order, and any related settlements and relief sought in furtherance thereof, including the Global Settlement, (ii) be a Releasing Party and grant the releases contained in Section 14.5(b) of the Plan; and (iii) solely for the purpose of receiving Class 3(b) Litigation Trust Interests, have their Claims against the FBG Debtors consolidated such that each Electing Creditor shall have a single Electing Creditor Claim, regardless of any joint and several liability among the FBG Debtors.

Additionally, the claims of Electing Creditors and Non-Electing Creditors (as defined below) may continue to be asserted against the chapter 7 estate of the applicable FBG Debtor and will not be reduced by the amount of any Litigation Trust distributions made on or after the Effective Date. Likewise, following the Effective Date, Electing Creditor Claims in the Litigation Trust will not be reduced, discharged, or otherwise modified in any way by virtue of receipt of proceeds that may be received on account of the other FBG Debtors.

2. *What Happens if an Eligible Creditor Opts Out?*

All Eligible Creditors that timely, properly, and affirmatively opt out of the Global Settlement by the applicable deadline on the Global Settlement Election Form will not be Electing Creditors for purposes of the Plan, will not receive beneficial interests in the Litigation Trust, and therefore, will not receive any distributions from the Litigation Trust. Such holders (the "**Non-Electing Creditors**")

[5] For the avoidance of doubt, Electing Creditors will share pro rata with all holders of Class 3 Litigation Trust Interests.

will retain their Claims against the applicable FBG Debtor and such Claims will be treated in accordance with the priority scheme set forth in chapter 7 of the Bankruptcy Code following conversion of the applicable FBG Debtors' cases to cases under chapter 7 of the Bankruptcy Code. However, because of the amount of senior secured obligations owed by the FBG Debtors, the FBG Debtors do not anticipate that Non-Electing Creditors will receive any recovery on account of their Claims from the applicable FBG Debtors' chapter 7 estates.

3. ***Which Holders of Claims Against the FBG Debtors are Eligible to Participate?***

The Eligible Creditors are holders of Administrative Expense Claims, Other Secured Claims, Priority Tax Claims, Other Priority Claims, and General Unsecured Claims against the FBG Debtors (other than the Plan Debtor). However, Ineligible Creditors will not be entitled to receive distributions from the Litigation Trust. These "Ineligible Creditors" include: (i) in accordance with section 502(d) of the Bankruptcy Code, (a) any defendants named or to be named in the James Complaint or Onset Complaint, or (b) any person or entity that engaged in Adverse Conduct; (ii) any SPV Lender; (iii) the ABL Secured Parties; and (iv) the Converting Debtors. Under the Plan, the Litigation Trustee is authorized to determine whether any Electing Creditor is an Ineligible Creditor prior to making any distributions to holders of Class 3 Litigation Trust Interests. Such Ineligible Creditor may seek relief from the Bankruptcy Court opposing such a determination. For the avoidance of doubt, Ineligible Creditors will not be entitled to share in distributions from the Litigation Trust.

4. ***How Will Electing Creditor Claims Be Reconciled?***

The GUC Ombudsman will be solely responsible for reconciling Electing Creditor Claims pursuant to a reconciliation process agreed among the FBG Debtors, the Creditors' Committee, and the Ad Hoc Group or approved by the Bankruptcy Court. Any distributions allocable to Electing Creditors from the Litigation Trust may be held in trust (in whole or in part) by the GUC Ombudsman pending the claims reconciliation process.

5. ***When Will Electing Creditors Begin Receiving Distributions from the Litigation Trust?***

As set forth above, pursuant to the Global Settlement and the Litigation Trust Waterfall, Electing Creditors will begin to receive distributions from the Litigation Trust after the Litigation Trust has distributed $400 million of net proceeds to other beneficial interest holders. Following $400 million of aggregate distributions, 16% of all net proceeds will be shared pro rata among holders of Roll-Up Claims, First Lien Claims, Second Lien Claims, and Electing Creditor Claims (i.e., the holders of Class 3 Litigation Trust Interests). Following the distribution of net proceeds from the Litigation Trust to holders of Class 2 Litigation Trust Interests totaling the Allowed amount of the DIP A Claims, *plus*, without duplication, any Credit Bid Claims, 90% of all net proceeds will be shared pro rata among holders of Class 3 Litigation Trust Interests.

6. ***What is the Potential Amount of Electing Creditors' Claims?***

As set forth above, Electing Creditors will receive their Pro Rata Share of the Class 3(b) Litigation Trust Interests. Holders of Class 3(b) Litigation Trust Interests share pro rata in distributions from the Litigation Trust based on the aggregate amount of (i) Allowed Roll-Up Claims, First Lien Claims, and Second Lien Claims and (ii) Electing Creditor Claims that become Allowed. The Roll-Up Claims are deemed Allowed by the Plan in the amount of $3.3 billion, and the aggregate Allowed amount of First Lien Claims and Second Lien Claims is approximately $2.6 billion. Based on the Debtors' books and records, the potential amount of Electing Creditor Claims that may be asserted by Eligible Creditors totals approximately $5.9 billion, consisting of $223 million in Administrative Expense Claims, $77 million in

Priority Tax Claims and Other Priority Claims, and $5.6 billion in General Unsecured Claims, which is subject in all respects to the GUC Ombudsman's claims reconciliation process.

7. ***Are Electing Creditors Granting any Releases in Exchange for their Right to Participate in the Litigation Waterfall?***

Yes. Pursuant to the Plan and Global Settlement, each Eligible Creditor that fails to timely, properly, and affirmatively opt out of participating in the Global Settlement by the Election Deadline (as defined in the Solicitation and Voting Procedures) will become a "Releasing Party" under the Plan and will grant the third-party release contained in Section 14.5(b) of the Plan. This release applies to Claims against, among others, (i) the Plan Debtor, (ii) the members of the Special Committee, (iii) certain executives of the FBG Debtors employed by the Debtors' financial advisor, Alvarez & Marsal North America, LLC ("**A&M**"), (iv) professionals of the Debtors and the Creditors' Committee, and (v) each of the following, solely in their capacities as such, (a) the Creditors' Committee and each of its members, (b) the DIP Secured Parties, (c) the Prepetition Secured Parties,(d) the Backstop Parties, (e) the Litigation Trust Contributors, (f) the DIP Collateral Funding Parties, and (g) solely with respect to each of the foregoing Persons in clauses (b) through (f), their Representatives. However, the release does not apply to any Claims against the FBG Debtors, other than the Plan Debtor. For the avoidance of doubt, any Claims and Causes of Action of an Electing Creditor may continue to be asserted against the FBG Debtors (other than the Plan Debtor) and are unaffected by such Electing Creditor's decision to not participate in the Global Settlement.

8. ***Deadline to Make Election***

Within three (3) business days after entry of the Disclosure Statement Order, or as soon as reasonably practicable thereafter, Kroll Restructuring Administration LLC ("**Kroll**"), will send the Litigation Trust Election Form to Eligible Creditors. Unless otherwise agreed to in writing (e-mail being sufficient) by the FBG Debtors and an Eligible Creditor, Eligible Creditors will have until **May 22, 2026 at 5:00 p.m. (Central Time)** to submit a completed Litigation Trust Election Form in either electronic or paper form, in each case following the procedures outlined in the motion seeking approval of the Disclosure Statement Order and explained in the Litigation Trust Election Form.

C. SUMMARY OF PLAN TREATMENT

The following table summarizes (i) the type of Claims and Interests against the Plan Debtors under the Plan, (ii) which Classes are impaired by the Plan, and (iii) which Classes are entitled to vote on the Plan. Administrative Expense Claims, DIP A Claims, Professional Fee Claims, and Priority Tax Claims are not classified and will be treated in accordance with the Plan. The following summary table is qualified in its entirety by reference to the full text of the Plan.

Class	Designation	Treatment under Plan	Impairment and Entitlement to Vote	Estimated Allowed Amount[6]
1.	Other Priority Claims	Except to the extent that a holder of an Allowed Other Priority Claim against the Plan Debtor agrees to less favorable	Unimpaired	$0

[6] The estimated Allowed amount of the Claims in each Class is based on, among other things, the Debtors' books and records and the Debtors' and their advisors' analysis of the merits of each asserted Claim, and is subject to potential litigation and disagreement by the holders of such Claims.

Class	Designation	Treatment under Plan	Impairment and Entitlement to Vote	Estimated Allowed Amount[6]
		treatment, each holder of an Allowed Other Priority Claim against the Plan Debtor shall receive, in full and final satisfaction, settlement, release, and discharge of such Allowed Other Priority Claim, at the option of the Wind Down Administrator: (i) payment in full in Cash; or (ii) such other treatment necessary to satisfy section 1129 of the Bankruptcy Code.	(Not entitled to vote because presumed to accept)	
2.	Other Secured Claims	Except to the extent that a holder of an Allowed Other Secured Claim against the Plan Debtor agrees to less favorable treatment of such Claim, each holder of an Allowed Secured Claim against the Plan Debtor shall receive, in full and final satisfaction, settlement, release, and discharge of such Allowed Other Secured Claim, at the option of the Wind Down Administrator: (i) payment in full in Cash in an amount equal to such Claim, payable on the later of (x) the Effective Date, and (y) the first Business Day after forty-five (45) days from the date on which such Other Secured Claim becomes an Allowed Other Secured Claim; (ii) transfer of the collateral securing such Other Secured Claim or the proceeds thereof in satisfaction of the Allowed amount of such Secured Claim; or (iii) such other treatment so as to render such holder's Allowed Other Secured Claim Unimpaired.	Unimpaired (Not entitled to vote because presumed to accept)	$1,387,000,000
3.	Roll-Up Claims	Except to the extent that a holder of an Allowed Roll-Up Claim against the Plan Debtor agrees to less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of such Allowed Roll-Up Term Loan Claim, on the Effective Date, each such holder shall receive, on account of its Allowed Roll-Up Term Loan Claim against the Plan Debtor, its Pro Rata Share of (i) the Class 3(a) Litigation Trust Interests, and (ii) the Class 3 DIP Collateral Trust Interests.	Impaired (Entitled to vote)	$3,300,000,000[7]

[7] In connection with the Global Settlement and for purposes of receiving Class 3(a) Litigation Trust Interests, the Roll-Up Claims are deemed Allowed against the Plan Debtor under the Plan in the amount of $3,300,000,000.

Class	Designation	Treatment under Plan	Impairment and Entitlement to Vote	Estimated Allowed Amount[6]
		For the avoidance of doubt, the Roll-Up Claims against the DIP Loan Parties, other than the Plan Debtor, shall not be released under or affected by the Plan and shall remain enforceable against such DIP Loan Parties and Parent Guarantors.		
4.	First Lien Claims	Except to the extent that a holder of an Allowed First Lien Claim against the Plan Debtor agrees to less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of such Allowed First Lien Claim, on the Effective Date, each such holder shall receive, on account of its Allowed First Lien Claim against the Plan Debtor, its Pro Rata Share of the Class 3(c) Litigation Trust Interests. For the avoidance of doubt, the First Lien Claims against the DIP Loan Parties, other than the Plan Debtor, shall not be released under or affected by the Plan and shall remain enforceable against such DIP Loan Parties and Parent Guarantors.	Impaired (Entitled to vote)	$1,959,000,000
5.	Second Lien Claims	Except to the extent that a holder of an Allowed Second Lien Claim against the Plan Debtor agrees to less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of such Allowed Second Lien Claim, on the Effective Date, each such holder shall receive, on account of its Allowed Second Lien Claim against the Plan Debtor, its Pro Rata Share of the Class 3(c) Litigation Trust Interests. For the avoidance of doubt, the Second Lien Claims against the DIP Loan Parties, other than the Plan Debtor, shall not be released under or affected by the Plan and shall remain enforceable against such DIP Loan Parties and Parent Guarantors.	Impaired (Entitled to vote)	$600,000,000
6.	ABL Claims	Except to the extent that a holder of an Allowed ABL Claim against the Plan Debtor agrees to less favorable	Impaired (Entitled to vote)	$415,000,000[8]

[8] For the avoidance of doubt, the Allowed amount of the ABL Claims for voting purposes shall exclude the U.S. Bank Obligations (as defined in the DIP Order).

Class	Designation	Treatment under Plan	Impairment and Entitlement to Vote	Estimated Allowed Amount[6]
		treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of such Allowed ABL Claim, on the Effective Date, each such holder shall receive, on account of its Allowed ABL Claim against the Plan Debtor, its Pro Rata Share of the ABL Collateral Trust Interests. For the avoidance of doubt, the ABL Claims against the ABL Loan Parties, other than the Plan Debtor, shall not be released under or affected by the Plan and shall remain enforceable against such ABL Loan Parties.		
7.	General Unsecured Claims	Except to the extent that a holder of an Allowed General Unsecured Claim against the Plan Debtor agrees to less favorable treatment of such Claim, in full and final settlement, release, and discharge of such Allowed General Unsecured Claim, each such holder shall receive its Pro Rata Share of the Class 3(b) Litigation Trust Interests.	Impaired (Entitled to vote)	$5,600,000,000 (Estimated)
8.	Plan Debtor Interests	On the date that the Plan Debtor's Chapter 11 Case is closed, and without the need for any further corporate or limited liability company action or approval of any members, board of managers, managers, management, or Interest holders of the Plan Debtor, all Plan Debtor Interests shall be cancelled, and each such holder will not receive any distributions on account of such Interests unless and until any Allowed Claims for which the Plan Debtor has a continuing obligation to pay following the Effective Date are satisfied in full, in which case each holder of a Plan Debtor Interest will receive its Pro Rata Share of any residual distributable value of the Plan Debtor.	Impaired (Not entitled to vote because deemed to reject)	N/A

Pursuant to the Bankruptcy Code, only those holders of Claims or Interests in classes that are impaired under a chapter 11 plan and that are not deemed to have rejected the plan are entitled to vote to accept or reject such proposed plan. Classes of Claims or Interests in which the holders of Claims or Interests are unimpaired under a proposed plan are presumed to have accepted such proposed plan and are not entitled to vote to accept or reject the plan. Classes of Claims or Interests in which the holders of Claims or Interests receive no distribution under a proposed plan are deemed to have rejected such proposed plan and are not entitled to vote to accept or reject the plan.

Treatment of DIP A Claims

Except to the extent that a holder of an Allowed DIP A Claim against the Plan Debtor agrees to less favorable treatment of such Claim, on the Effective Date, each such holder shall receive (i) on account of the Estate Claims Credit Bid, its Pro Rata Share of the Class 2 Litigation Trust Interests, and (ii) on account of the DIP Collateral Credit Bid, its Pro Rata Share of the Class 2 DIP Collateral Trust Interests. For the avoidance of doubt, any DIP A Claims not included in the Estate Claims Credit Bid or the DIP Collateral Credit Bid shall not be released under or affected by the Plan and shall remain enforceable against the DIP Loan Parties and Parent Guarantors.

Treatment of Administrative Expense Claims

Except to the extent that a holder of an Allowed Administrative Expense Claim against the Plan Debtor agrees to less favorable treatment, on the later of (i) the Effective Date, and (ii) the first Business Day after the date that is forty-five (45) calendar days after the date such Administrative Expense Claim against the Plan Debtor becomes an Allowed Administrative Expense Claim, each such holder of an Allowed Administrative Expense Claim against the Plan Debtor shall receive, in full and final satisfaction, settlement, release, and discharge of such Claim, (i) Cash in an amount equal to the Allowed amount of such Claim or (ii) such other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.

Treatment of Priority Tax Claims

Except to the extent that a holder of an Allowed Priority Tax Claim against the Plan Debtor agrees to less favorable treatment, each holder of an Allowed Priority Tax Claim against the Plan Debtor shall receive, in full and final satisfaction, settlement, release, and discharge of such Allowed Priority Tax Claim, at the option of the Wind Down Administrator, either: (i) Cash in an amount equal to such Allowed Priority Tax Claim on the later of (a) the Effective Date, to the extent such Claim is an Allowed Priority Tax Claim on the Effective Date; and (b) the first Business Day after the date that is forty-five (45) calendar days after the date such Priority Tax Claim becomes an Allowed Priority Tax Claim; (ii) equal annual Cash payments in an aggregate amount equal to the amount of such Allowed Priority Tax Claim, together with interest at the applicable rate under section 511 of the Bankruptcy Code, over a period not exceeding five (5) years from and after the Petition Date (*provided* that the Wind Down Administrator reserves the right to prepay all or a portion of any Allowed Priority Tax Claim at any time under this option without penalty or premium); or (iii) such other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.

D. ESTATE CLAIMS MARKETING PROCESS

Pursuant to the Global Settlement, on the Effective Date, unless the FBG Debtors determine the Estate Claims Credit Bid Transaction is not the highest or best offer, the FBG Debtors shall sell, assign, convey, transfer, and deliver the Litigation Trust Assets to the Plan Debtor. Immediately following such transfer, the Plan Debtor shall assign, convey, transfer, and deliver such Litigation Trust Assets to the Litigation Trust free and clear of all Liens, Claims, encumbrances and Interests (legal, beneficial, or otherwise). The Debtors intend to disclose the amount of the Estate Claims Credit Bid in the near term.

As an alternative to the Estate Claims Credit Bid, the Debtors are conducting a marketing and sale process for the Litigation Trust Assets, including the Estate Claims, to solicit potential higher or better bids for all Litigation Trust Assets (the "**Estate Claims Marketing Process**"). The Estate Claims Marketing Process is a supplement to the larger Sale Process (as defined below) that the Debtors initiated in January 2026, which included a sale of certain of the Debtors' businesses (in whole or in part). The Debtors

will soon launch the Estate Claims Marketing Process, including commencing outreach to financial and strategic bidders and providing bidders with access to a virtual dataroom that will include documents relevant to the Estate Claims. Any party interested in submitting a bid should contact the Debtors at project.overdrive.lazard@lazard.com, A&M at project_overdrive_am_rest@alvarezandmarsal.com, and Weil at project.overdrive.rx@weil.com.

The Estate Claims Marketing Process will permit an informed comparison of available alternatives and be performed consistent with procedures outlined in the Plan Supplement, including a bid deadline of May 22, 2026; *provided* that the Debtors may extend that deadline in their sole discretion subject to providing notice to all bidders who expressed interest up to that date, among other procedures. The Debtors will review and consider proposed transactions, and identify any qualified bid that constitutes the highest or otherwise best value for the Debtors' assets and for the benefit of the Debtors' Estates. Below is list of requirements to constitute a Qualified Bid (which may be supplemented or modified by the Debtors):

- Bid must be a cash bid to acquire all Estate Claims;
- Bidder must provide a cash deposit of no less than 10% of the total amount of such bid; and
- Bid must provide a binding commitment to consummate the transaction in form and substance satisfactory to the Debtors, including a commitment that the closing of such proposed sale is not contingent on any conditions other than entry of an order, in form acceptable to the potential buyers and sellers, approving such sale by the Bankruptcy Court.

If any Bidders are (a) any defendants named or to be named in the James Complaint or Onset Complaint or otherwise have any interest in such adversary proceedings, (b) any Person that engaged in Adverse Conduct, or (c) any Person that is or may become the target of an Estate Claim, then such bidder may be excluded from receiving diligence materials in connection with such bid in the Debtors' sole discretion.

The Estate Claims Marketing Process will run simultaneously with the solicitation of the Plan, with the goal of securing potentially higher recoveries for the Debtors' creditors. The Debtors, in their sole discretion, reserve the right to adjourn, modify, or cancel the Estate Claims Marketing Process at any time, including to cancel the Estate Claims Marketing Process entirely. To the extent the Debtors determine that an alternative offer is in the best interests of the estates and would result in a higher recovery to the Debtors' creditors than the Estate Claims Credit Bid, the Debtors will make the appropriate disclosures no later than May 25, 2026. The timeline for the Estate Claims Marketing Process is as follows:

Estate Claims Marketing Process Timeline	
Key Event	**Proposed Date or Deadline**
Deadline to Submit Binding Bids	**May 22, 2026 at 5:00 p.m. (Central Time)**
Deadline to File Objections to Sale Transaction	**May 22, 2026**
Qualified Bid Deadline (Debtors to Notify Bidders of Status as Qualified Bidder)	**May 23, 2026**
Deadline to Announce Successful Bidder	**May 25, 2026**

Proposed Sale Hearing	**May 29, 2026 (subject to Court availability)**

E. CONFIRMATION TIMELINE

The below chart summarizes a proposed timeline for the solicitation and confirmation of the Plan (as set forth in more detail in the Solicitation and Voting Procedures).

Proposed Solicitation and Confirmation Table	
Voting Record Date and Election Record Date	**May [●], 2026**
Requested Conditional Disclosure Statement Hearing	**May 8, 2026 at 1:00 p.m. (Central Time) (subject to the Court's availability)**
Mailing Deadline for Combined Hearing Notice, Solicitation Packages, Non-Voting Packages, and Election Materials	**No later than two (2) business days after entry of the Disclosure Statement Order, or as soon as reasonably practicable thereafter**
Deadline for Debtors to File Claims Objections for Voting Purposes or to Request Claim Estimation for Voting Purposes	**May 15, 2026 at 5:00 p.m. (Central Time)**
Rule 3018(a) Motion Deadline	**May 18, 2026 at 5:00 p.m. (Central Time)**
Plan Supplement Filing Deadline	**May 18, 2026**
Voting Deadline, Election Deadline, and Release Opt-In Deadline	**May 22, 2026 at 5:00 p.m. (Central Time)**
Deadline to Object to Disclosure Statement and Plan	**May 22, 2026 at 5:00 p.m. (Central Time)**
Ballot Certification Deadline	**May 27, 2026**
Deadline to File Confirmation Brief and Reply to Plan Objection(s)	**May 27, 2026**
Requested Combined Hearing	**May 29, 2026 (subject to the Court's availability)**

F. INQUIRIES

If you have any questions regarding this Disclosure Statement or the packet of materials you have received in connection herewith, please contact Kroll, at +1 (877) 631-1151 (U.S. and Canada; toll-free) or +1 (646) 290-7146 (International, toll) or via e-mail message to: firstbrandsinfo@ra.kroll.com.

II. OVERVIEW OF DEBTORS' OPERATIONS

A. HISTORY & FORMATION

First Brands was formed in 2013 under the name Crowne Industrial Group by the Company's Founder. Headquartered in Cleveland, Ohio, First Brands was a leading supplier of aftermarket parts. First Brands' key product categories included brakes, filters, wipers, lights, pumps, and towing solutions. As of the commencement of these chapter 11 cases, the Company employed an estimated approximately 26,000 people across five continents, with approximately 6,000 people employed by the Debtors in the U.S., and owned distribution centers, factories, and warehouses around the world as part of a global network of manufacturing and vertically-integrated distribution centers. Helming a diverse portfolio of over twenty-five iconic brands, including household names such as "FRAM" and "Raybestos," First Brands maintained a market position in all aftermarket sales channels, including automotive retailers, aftermarket vehicle dealerships, retail, mass merchants, warehouse distributors, e-commerce, and direct sales to OEMs in the automotive industry.

Between 2013 and 2014, the Company expanded its product offerings by acquiring brands such as Carter Fuel Pumps and Trico, a premium producer and distributor of windshield wiper blades. Beginning in 2019, the Company underwent further expansion by acquiring multiple reputable and, in some cases, decades- or century-old brands, to expand its portfolio of product offerings, with the goal of becoming a leading supplier of a wide variety of products across the aftermarket parts industry. In fewer than 15 years, the Company consummated over 15 acquisition transactions, growing its portfolio to a total of over 25 iconic automotive brands and establishing a significant market share in the global aftermarket parts industry.

In the aftermarket, as of the commencement of these chapter 11 cases, the Company's customer base included several large automotive retailers (including Advance Auto Parts, AutoZone, O'Reilly's, and Napa Auto Parts), wholesale distributors (including United Auto Supply, Federated Auto Parts, and Fischer Auto Parts), and national commercial retailers (including Walmart, Costco, and Amazon). In the OEM market, the Company's customer base includes some of the world's foremost OEMs, including Ford Motor Company, General Motors LLC, Harley-Davidson, Inc., Honda Development & Manufacturing of America, LLC, Polaris Industries Inc., Audi Mexico S.A. de C.V., FCA US LLC, International Motors, LLC, Nissan North America, Inc., Mercury, a division of Brunswick Corporation, Volkswagen de Mexico, S.A. de C.V., Volkswagen Group of America, Inc., Volvo Penta of the Americas, LLC, and BMW Manufacturing Co., LLC.

B. HISTORICAL OPERATIONS AND KEY ASSETS

As of the commencement of these chapter 11 cases, the Company's brands generally could be categorized into four product categories: (i) braking products; (ii) filtration products; (iii) vision and lighting products; and (iv) repairs and towing. The Company also maintained research, development, and testing capabilities for the purpose of designing new products.

1. *Breaking Products*

The Company owned and/or licensed brands, including Raybestos, Centric Parts, StopTech, and Cardone, that are market leaders in braking components such as rotors, brake pads, and calipers. The Company's other brands in the braking category include IBI, Carlson, Bendix, Prima, Break Pro, and Aimco. These products were sold in both the aftermarket and to OEMs.

2. ***Filtration***

The Company owned several brands, including Luber Finer, PetroClear, Jasper Rubber Products, and FRAM, that manufacture and distribute air filters, cabin filters, fuel filters, and oil filters. These products are sold to car dealerships, OEMs, heavy duty/industrial purchasers, and individual consumers.

3. ***Vision and Lighting***

The Company also owned and/or licensed several brands that manufactured windshield wipers and lighting and related accessories, including ANCO, Trico, Narva, Philips, and Michelin, among others. These vision and lighting products were offered both domestically and internationally.

4. ***Repairs and Towing***

Finally, the Company offered products for under-the-hood repairs and towing. The Company's brands in the repairs space included Airtex, AutoLite, Carter Fuel Pumps, Reese, and StrongArm. These products included under-the-hood repair products such as spark plugs, gas springs, and wire sets, as well as towing and trailering solutions.

5. ***Product Research and Development***

First Brands also had a robust product development program geared towards developing innovative new products to complement its existing diverse product offerings. The Company had over 2,900 patents and operated 12 laboratories and testing facilities across ten countries to facilitate development of new products that complemented First Brands' existing products. Drawing on consumer and category insights, field sales, and original research, the Company maintained a continuous evolution of new product offerings to keep up with changing customer needs and evolving vehicle technology, releasing approximately 5,000 stock keeping units with respect to new products each year.

6. ***Rest-of-World Business***

As described in greater detail in Section IV.N, as of the commencement of the Chapter 11 Cases, the Debtors directly or indirectly owned equity interests in approximately 200 non-debtor entities incorporated across 24 non-U.S. jurisdictions which comprised both: (i) entities providing production, distribution, or sales support to the North American Debtor business units; and (ii) business units operating outside the U.S.

C. CORPORATE GOVERNANCE & MANAGEMENT

A chart summarizing the Debtors' corporate organization structure, as of the Petition Date, is attached hereto as **Exhibit D**. As set forth therein, each of the Debtors is either a direct or indirect subsidiary of Debtor Viceroy. The Plan Debtor is a direct subsidiary of Strongarm, LLC ("**Strongarm**"), which owns one-hundred percent (100%) of the Plan Debtor's membership interests. Strongarm is a direct subsidiary of FBG, which owns one-hundred percent (100%) of Strongarm's membership interests. The Plan Debtor is managed by FBG Holdings.

1. ***Special Committee***

In September 2025, the Board of Managers of each of (i) FBG Holdings; (ii) FBG Intermediate; (iii) FBG, and (iv) Viceroy (together with FBG Holdings, FBG Intermediate, and FBG, the "**Parent Entities**") appointed a special committee consisting exclusively of independent managers, William Transier

and Neal Goldman (the "**Special Committee**"). The Special Committee has the exclusive power and authority to, among other things, (i) consider and evaluate transactions and other strategic alternatives to address the Company's outstanding funded indebtedness and capital structure, including, without limitation, a financing, refinancing, loan amendment, equity investment, sale, restructuring, reorganization, recapitalization, and/or other strategic transaction (each such transaction or strategic alternative, a "**Potential Transaction**"); (ii) approve and authorize or reject the Company's entry into and consummation of any agreement, contract, or other arrangement with respect to a Potential Transaction and cause and direct the Company's subsidiaries to approve, authorize, execute, and consummate a Potential Transaction; (iii) prosecute, compromise, settle, exculpate, release, abandon, or otherwise dispose of any potential claims and/or causes of action that may exist in favor of the Company and/or its affiliates, including with respect to current and former members of the Board of Managers of the Company and/or its affiliates, current and former members of the applicable governing bodies of the Company and/or its affiliates, as well as affiliates, equity holders, officers, or other insiders of one or more of the Company and/or its affiliates (such potential claims and causes of actions, the "**Specified Matters**"); (iv) conduct and oversee an investigation of the Specified Matters to evaluate the legal basis of any such claims and/or causes of action (the "**Investigation**"); and (v) take such other action as the Special Committee deems necessary or desirable to carry out the purpose of the Special Committee as herein authorized. A more detailed discussion of the Investigation is contained in Section IV.J.

2. ***Viceroy Subcommittee***

On December 5, 2025, the Special Committee of Viceroy established a subcommittee (the "**Viceroy Subcommittee**") to, among other things, oversee and take certain actions with respect to any transaction, agreement, or arrangement (or any series of similar transactions, agreements, or arrangements) in which a conflict exists or is reasonably likely to exist between (i) Viceroy and/or its direct or indirect subsidiaries, excluding FBG Holdings and/or its direct and indirect subsidiaries (the "**FBG Parties**"), on the one hand, and (ii) the FBG Parties on the other hand. The Special Committee of Viceroy appointed Benjamin Duster to serve as the sole member of the Viceroy Subcommittee.

3. ***Debtors' Management***

As of October 13, 2025, the Company's Founder resigned from all positions as an officer, director, manager (or similar) of the Debtors. The Founder's brother and former officer of the Company, the Founder's Brother, resigned from all positions as an officer, director, manager (or similar) shortly before the Founder's resignation. Stephen Graham also retired from all positions as an officer, director, manager (or similar) on October 22, 2025. Numerous other members of the Debtors' former senior management team have also resigned or been terminated from their positions following the commencement of these Chapter 11 Cases.

In September 2025, before the commencement of these Chapter 11 Cases, Charles M. Moore of A&M was appointed as Chief Restructuring Officer of the Debtors. Following the Founder's resignation, on October 13, 2025, Charles M. Moore was appointed as interim Chief Executive Officer of each of FBG, FBG Holdings, FBG Intermediate, and Viceroy. On October 23, 2025, Daniel Jerneycic and Gaurav Malhotra were each appointed as co-Chief Restructuring Officer. On October 30, 2025, Paul Kosturos was appointed as Chief Financial Officer of each of FBG, FBG Holdings, FBG Intermediate, and Viceroy, with an effective date of November 3, 2025. Effective as of February 28, 2026, A&M and the Debtors agreed that Gaurav Malhotra would no longer serve as the co-Chief Restructuring Officer of the Debtors.

On April 27, 2026, Charles M. Moore was appointed as Chief Executive Officer of the Plan Debtor, Daniel Jerneycic was appointed as Chief Restructuring Officer of the Plan Debtor, and Paul Kosturos was appointed as Chief Financial Officer of the Plan Debtor.

D. CAPITAL STRUCTURE

As of the commencement of the Chapter 11 Cases, the Debtors' capital structure consisted of approximately $11.5 billion in prepetition liabilities, including approximately $6 billion in funded debt obligations, at least $2.3 billion in factoring liabilities,[9] at least $2.3 billion in "off-balance sheet" financing liabilities incurred through special purpose vehicles ("**SPVs**"), and approximately $900 million in unsecured supply chain financing liabilities. The FBG Debtors, including the Plan Debtor, are obligors with respect to the approximately $6 billion in aggregate principal amount of funded debt obligations outstanding, and certain of the SPV Debtors are obligors with respect to the approximately $2.3 billion in off-balance sheet debt obligations outstanding. The table below summarizes the Debtors' prepetition capital structure.

Prepetition Indebtedness	Principal Amount Outstanding as of the Commencement of The Chapter 11 Cases
ABL Loans / Letters of Credit Obligations	$226.9 mm
ABL Supply Chain Financing / Cash Management	$197.3 mm
Total ABL Obligations	$424.2 mm
First Lien L/C Facility	$100.0 mm
First Lien Term Loans (USD)	$3,886.9 mm
First Lien Term Loans (EUR)	$763.0 mm
Side-Car Term Loans	$250.0 mm
Second Lien Term Loans	$540.0 mm
Total Term Loan Obligations	$5,539.9 mm
Aequum Facilities	$77.8 mm
CarVal Facilities	$159.0 mm
Evolution Facilities	$230.0 mm
Onset Master Leases	$1,880.0 mm
Total Off-Balance Sheet Obligations	$2,346.8 mm
Third-Party Factoring	$2,281.0 mm
Total Factoring Liabilities	$2,281.0 mm
Supply Chain Financing Obligations	$962.4 mm
Total Prepetition Liabilities	**$11,554.3 mm**

As discussed herein, following the commencement of the Chapter 11 Cases, the Debtors obtained approximately $4.4 billion in postpetition financing, including (i) $1.1 billion in New Money DIP Loans and (ii) $3.3 billion in Roll-Up Obligations. A detailed discussion of this financing can be found in Section IV.E of this Disclosure Statement.

[9] In the months following the Petition Date, A&M undertook significant efforts to investigate and understand the Company's historical Third-Party Factoring practices and liabilities, which revealed that the Debtors' factoring liabilities exceeded initial estimations. *See* Section IV.M.

III. EVENTS PRECEDING THE COMMENCEMENT OF THE CHAPTER 11 CASES

A. INDUSTRY AND OPERATIONAL CHALLENGES

During 2024 and 2025, the Debtors faced mounting liquidity pressure driven by business seasonality, operational disruptions due to geopolitical uncertainty and headwinds from newly imposed tariffs, and irregularities identified in historical third-party factoring practices, together with significant acquisition-related indebtedness. These systemic factors forced unexpected costs on the Company not only due to the increased cost of goods, but also in connection with new investments required to minimize future tariff exposure.

B. PREPETITION INITIATIVES

In July 2025, the Company pursued a comprehensive refinancing process led by Jefferies Finance LLC ("**Jefferies**") to address near-term liquidity needs and strengthen the capital structure. By early August 2025, potential lenders involved in the process requested additional diligence, including preparation of a quality of earnings report, resulting in the Company pausing the refinancing process. Following the pause in the refinancing process, the Company retained Weil, Gotshal & Manges LLP ("**Weil**") and Lazard to assist the Company in developing and exploring strategic options, including raising new capital and a sale.

In September 2025, the Company retained A&M to support the Company in its liquidity management efforts. When out-of-court financing proved unavailable and with the Company's liquidity nearly depleted, the Debtors pivoted to engaging existing lenders, including the Ad Hoc Group, in discussions regarding DIP financing needed to stabilize operations and provide runway to a potential transaction in chapter 11. After first securing a temporary bridge loan and then securing formal DIP financing commitments, the Debtors commenced these chapter 11 cases in September 2025.

Additional information regarding the Debtors' business, capital structure, the circumstances leading to the commencement of these chapter 11 cases, and the Debtors' prepetition restructuring initiatives is set forth in the *Declaration of Charles M. Moore in Support of Debtors' Chapter 11 Petitions* (Docket No. 22) (the "**First Day Declaration**").

IV. OVERVIEW OF THE CHAPTER 11 CASES

A. COMMENCEMENT OF CHAPTER 11 CASES

On September 24, 2025, Global Assets LLC and 12 of the Debtors in the above-captioned chapter 11 cases each commenced with the Court a voluntary case under chapter 11 of the Bankruptcy Code. Commencing on September 28, 2025, FBG and the remaining Debtors each commenced with the Court a voluntary case under chapter 11 of the Bankruptcy Code. The Debtors are continuing to manage their remaining assets and operate as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

B. FIRST/SECOND DAY PLEADINGS

Upon the commencement of these chapter 11 cases, along with their voluntary petitions for relief under chapter 11 of the Bankruptcy Code, the Debtors filed an application to retain a claims and noticing agent and numerous motions (the "**First Day Motions**") designed to allow the Debtors to meet necessary obligations, fulfill their duties as debtors in possession, stabilize operations, and enable the Debtors to transition into, and operate efficiently in, chapter 11 with minimal disruption, as described in greater detail

below. Following a hearing on October 1, 2025, the Bankruptcy Court granted all of the relief requested in the First Day Motions on a final or an interim basis, as applicable.

- On September 29, 2025, the Debtors filed the *Emergency Motion of Debtors for Order Directing Joint Administration of Chapter 11 Cases* (Docket No. 2) (the "**Joint Administration Motion**") seeking an order directing consolidation and joint administration of their chapter 11 cases for procedural purposes only. An order granting relief under the Joint Administration Motion was entered by the Bankruptcy Court on September 29, 2025 (Docket No. 9).
- On September 29, 2025, the Debtors filed the *Emergency* Ex Parte *Application for Entry of an Order Authorizing the Employment and Retention of Kroll Restructuring Administration LLC as Claims, Noticing, and Solicitation Agent* (Docket No. 4) (the "**Claims Agent Retention Application**") seeking an order authorizing the Debtors to employ Kroll as claims, noticing, and solicitation agent. An order granting relief under the Claims Agent Retention Application was entered by the Bankruptcy Court on September 29, 2025 (Docket No. 12).
- On September 29, 2025, the Debtors filed the *Emergency Motion of Debtors for Order (I) Authorizing Debtors to (A) File a Consolidated Creditor Matrix and a Consolidated List of 30 Largest Unsecured Creditors and (B) Redact Certain Personally Identifiable Information, (II) Approving Form and Manner of Notifying Creditors of Commencement of Chapter 11 Cases and Other Information, and (III) Granting Related Relief* (Docket No. 5) (the "**Consolidated Creditor Matrix Motion**") seeking an order (i) authorizing the Debtors to (a) file a consolidated creditor matrix and a consolidated list of the Debtors' thirty (30) largest unsecured creditors, and (b) redact certain personally identifiable information of individual employees, directors, managers, interest holders, contractors, creditors, and any other individuals who may be parties in interest in the chapter 11 cases; and (ii) approving the form and manner of notifying creditors of the commencement of these chapter 11 cases and other information. An order granting the relief under the Consolidated Creditor Matrix Motion was entered by the Bankruptcy Court on October 1, 2025 (Docket No. 193).
- On September 29, 2025, the Debtors filed the *Emergency Motion of Debtors for (I) Approving Debtors' Proposed Form of Adequate Assurance of Payment to Utility Companies, (II) Establishing Procedures for Resolving Objections by Utility Companies, (III) Prohibiting Utility Companies from Altering, Refusing, or Discontinuing Service, and (IV) Granting Related Relief* (Docket No. 7) (the "**Utilities Motion**") seeking an order (i) approving the Debtors' proposed form of adequate assurance of payment to the Utility Companies (as defined the Utilities Motion), (ii) establishing procedures for resolving objections by the Utility Companies relating to the adequacy of the proposed adequate assurance, and (iii) prohibiting the Utility Companies from altering, refusing, or discontinuing service to, or discriminating against, the Debtors on account of the commencement of these chapter 11 cases or outstanding prepetition invoices. An order granting relief under the Utilities Motion was entered by the Bankruptcy Court on October 1, 2025 (Docket No. 197). The Debtors have since filed two amendments to the Utility Services List (as defined in the Utilities Motion), adding and removing certain Utility Companies from the Utility Services List (Docket Nos. 705 and 1085).
- On September 29, 2025, the Debtors filed the *Emergency Motion of Debtors for Order (I) Authorizing Debtors to Pay Certain Prepetition Taxes and Fees and (II) Granting Related Relief* (Docket No. 8) (the "**Taxes Motion**") seeking authority to pay certain

taxes and regulatory fees, including (i) property taxes, (ii) income taxes, (iii) sales and use taxes, (iv) custom and import duties, (v) franchise, business, and other related taxes, and (vi) government fees and certain other taxes, as more fully described in the Taxes Motion, that arose prior to the commencement of these chapter 11 cases and to continue paying such Taxes and Fees that arose postpetition in the ordinary course of business. An order granting relief under the Taxes Motion was entered by the Bankruptcy Court on October 1, 2025 (Docket No. 196).

- On September 29, 2025, the Debtors filed the *Emergency Motion of Debtors for Interim and Final Orders (I) Authorizing Debtors to (A) Continue Insurance Policies, Surety Bonds, and Letters of Credit and (B) Pay All Obligations with Respect Thereto, and (II) Granting Related Relief* (Docket No. 10) (the "**Insurance Motion**") seeking an order (i) authorizing the Debtors to (a) continue the Insurance Programs, Surety Bonds, and Letters of Credit (each as defined in the Insurance Motion) in accordance with the applicable insurance programs and in the ordinary course of business, and (b) pay prepetition and postpetition obligations arising under the Insurance Programs, Surety Bonds, and Letters of Credit, and (ii) modifying the automatic stay imposed by section 362 of the Bankruptcy Code to the extent necessary to permit the Debtors' employees to proceed with any claims they may have under the Workers' Compensation Program (as defined in the Insurance Motion). An order approving the Insurance Motion was entered by the Bankruptcy Code on an interim basis on October 1, 2025 (Docket No. 191) and on a final basis on November 5, 2025 (Docket No. 567).
- On September 29, 2025, the Debtors filed the *Emergency Motion of Debtors for Interim and Final Orders (I) Authorizing Debtors to Pay (A) Critical Vendor Claims, (B) Non-U.S. Vendor Claims, (C) Lien Claims, and (D) 503(B)(9) Claims, (II) Confirming Administrative Expense Priority of Undisputed Outstanding Prepetition Orders, and (III) Granting Related Relief* (Docket No. 13), seeking authority to pay, in their discretion, the prepetition claims of certain of their vendors and lien claimants, and to pay certain holders of claims with administrative priority pursuant to section 503(b)(9) of the Bankruptcy Code (the "**Critical Vendors Motion**"). An order approving the Critical Vendors Motion was entered by the Bankruptcy Code on an interim basis on October 1, 2025 (Docket No. 190) and on a final basis on November 4, 2025 (Dockets No. 519).
- On September 29, 2025, the Debtors filed the *Emergency Motion of Debtors for Entry of Order Enforcing Protections of 11 U.S.C. §§ 362, 365, 525, and 541* (Docket No. 14) (the "**Automatic Stay Motion**") seeking a comfort order clarifying to non-U.S. based creditors that the protections of the Bankruptcy Code, including sections 362, 365, 525, and 541, prohibit them from taking actions in violations of these sections. An order granting relief under the Automatic Stay Motion was entered by the Bankruptcy Court on October 1, 2025 (Docket No. 198).
- On September 29, 2025, the Debtors filed the *Emergency Motion of Debtors for Interim and Final Orders (I) Authorizing Debtors to Honor Certain Prepetition Obligations to Customers and Continue Customer Programs in the Ordinary Course of Business and (II) Granting Related Relief* (Docket No. 15) (the "**Customer Programs Motion**") seeking authority to continue their customers programs, including various rebates, product warranties, and volume-based discounts, in the ordinary course of business and pay certain prepetition claims in connection therewith. An order approving the Customer Programs Motion was entered by the Bankruptcy

Code on an interim basis on October 1, 2025 (Docket No. 188) and on a final basis on November 4, 2025 (Docket No. 520).

- On September 29, 2025, the Debtors filed the *Emergency Motion of Debtors for Order (I) Authorizing Debtors to (A) Pay Prepetition Wages, Salaries, Employee Benefits, and Other Obligations and (B) Continue Compensation and Benefits Programs in Ordinary Course, and (II) Granting Related Relief* (Docket No. 16) (the "**Wages Motion**") seeking an order (i) authorizing the Debtors to (a) pay Workforce Compensation Obligations and Employee Benefit Obligations (each as defined in the Wages Motion) and related expenses, fees, and costs attendant thereto, and (b) maintain, and continue to honor and pay amounts with respect to the Debtors' business practices, programs, and policies for their employees as such were in effect as of the commencement of these chapter 11 cases as such may be modified or supplemented in the ordinary course of business. An order approving the Wages Motion was entered by the Bankruptcy Code on a final basis on October 1, 2025 (Docket No. 187).

- On September 29, 2025, the Debtors filed the *Emergency Motion of Debtors for Interim and Final Orders (I) Authorizing Debtors to (A) Continue Using Existing Cash Management System and Bank Accounts, (B) Implement Ordinary Course Changes to Cash Management System, and (C) Honor Certain Related Prepetition Obligations, (II) Granting Administrative Expense Priority for Postpetition Intercompany Claims, (II) Extending Time to Comply with Requirements of 11 U.S.C. § 345(b), and (IV) Granting Related Relief* (Docket No. 17) (the "**Cash Management Motion**") seeking an order (i) authorizing the Debtors to (a) continue using their existing Cash Management System, including through the continued use of their existing Bank Accounts and Business Forms, (b) continue to perform and honor Intercompany Transactions in their business judgment, (c) implement changes to their Cash Management System in the ordinary course of business, including opening new or closing existing Bank Accounts, and (d) honor certain prepetition obligations related to the Cash Management System; (ii) granting administrative expense priority for Intercompany Claims; and (iii) extending the time to comply with the requirements of section 345(b) of the Bankruptcy Code to the extent they apply to the Bank Accounts (each capitalized term in this description as defined in the Cash Management Motion). An order approving the Cash Management Motion was entered by the Bankruptcy Court on an interim basis on October 2, 2025 (Docket No. 222) and on a final basis on November 7, 2025 (Docket No. 604).

The First Day Motions, Claims Agent Retention Application, and all orders for relief granted in the chapter 11 cases can be viewed free of charge at https://restructuring.ra.kroll.com/Firstbrands.

C. OTHER PROCEDURAL AND ADMINISTRATIVE MOTIONS

The Debtors filed various other motions to further facilitate the smooth and efficient administration of the chapter 11 cases and reduce the administrative burdens associated therewith, including:

- SOFAs and Schedules Extension Motion. The Debtors filed a motion and obtained authority from the Bankruptcy Court to extend the deadline to file (i) the statement of financial affairs ("**SOFAs**") and schedule of assets and liabilities (the "**Schedules**" and, together with the SOFAs, the "**Schedules and Statements**"), and (ii) initial reports of financial information with respect to entities in which the chapter 11 estates hold a controlling or substantial interest, as set forth in Bankruptcy Rule 2015.3 (the "**2015.3 Reports**"), in each case, for each of the 112 Debtors, to November 21, 2025 (Docket Nos. 6, 195). The Debtors and the U.S. Trustee entered into a stipulation by which the deadline to file the Schedules and Statements was extended through and including January 20, 2026 (Docket No. 690). The Debtors filed the initial 2015.3 Reports on January 19, 2026 (Docket No. 1389), and the Schedules and Statements on January 20 and 21, 2026 (Docket Nos. 1411–1634). The Plan Debtor's Schedules and Statements were filed at Docket Nos. 1458 and 1585, respectively.

- Ordinary Course Professionals Motion. The Debtors filed a motion and obtained authority to establish procedures for the retention and compensation of certain professionals utilized by the Debtors in the ordinary course of their businesses (such professionals, the "**Ordinary Course Professionals**" and, such procedures, the "**OCP Procedures**") (Docket Nos. 415 and 700). Pursuant to the OCP Procedures, the Debtors have retained 42 Ordinary Course Professionals.

- Retention Applications and Interim Compensation. The Debtors filed several applications and obtained authority to retain various professionals to assist the Debtors in carrying out their duties under the Bankruptcy Code during the chapter 11 cases. These professionals include: (i) Weil as restructuring counsel (Docket No. 400), (iii) Lazard as investment banker (Docket No. 416) (ii) A&M as financial advisor (Docket No. 417), (iv) Hilco Global as appraiser (Docket No. 331), and (v) Ernst & Young LLP ("**EY**") as tax advisor (Docket No. 418). The Bankruptcy Court has entered orders authorizing the retention of these professionals (Docket Nos. 774 (EY), 894 (Weil), 897 (Lazard), 896 (A&M), and 898 (Hilco Global)). In connection with such retentions, the Debtors filed a motion to establish procedures for the interim compensation and reimbursement of expenses of chapter 11 professionals, which the Bankruptcy Court granted on November 17, 2025 (Docket No. 699).

- Contract Procedures Motion. On November 21, 2025, the Debtors filed the *Motion for an Order (I) Approving Procedures to (A) Assume or Assume and Assign or (B) Reject, Unexpired Leases and Executory Contracts, (II) Approving Abandonment of Property in Connection with Rejection of Unexpired Leases, and (III) Granting Related Relief* (Docket No. 758) seeking authority to establish procedures for the assumption, assumption and assignment, or rejection of executory contracts and unexpired leases in addition to the abandonment of property in connection with the rejection of unexpired leases (the "**Contract Procedures Motion**"). An order approving the Contract Procedures Motion was entered by the Bankruptcy Court on January 8, 2026 (Docket No. 1244). As of the date hereof, the Debtors have filed four different notices of rejection of unexpired leases pursuant to the order approving the Contract Procedures Motion. *See* Docket Nos. 2009, 2160, 2268, and 2521.

- Removal Deadline Extension Motions. The Debtors have filed several motions and obtained Court approval to extend the deadline by which the Debtors may remove civil actions (Docket Nos. 1033 and 2520).

D. EXCLUSIVITY

Section 1121(b) of the Bankruptcy Code provides for a period of 120 days after the commencement of a chapter 11 case during which time a debtor has the exclusive right to file a chapter 11 plan (the "**Exclusive Filing Period**"). In addition, section 1121(c)(3) of the Bankruptcy Code provides that if a debtor files a plan within the Exclusive Filing Period, it has a period of 180 days after commencement of the chapter 11 case to obtain acceptances of such plan, before the expiration of which no other party in interest may file a plan (the "**Exclusive Solicitation Period**" and, together with the Exclusive Filing Period, the "**Exclusive Periods**"). Pursuant to section 1121(d) of the Bankruptcy Code, the Bankruptcy Court may, upon a showing of cause, extend the Exclusive Periods.

On January 22, 2026, the Debtors filed the *Motion of the Debtors for Order Extending Exclusive Periods Pursuant to Section 1121(d) of the Bankruptcy Code* (Docket No. 1674) pursuant to which they sought to extend the Exclusive Filing Period and the Exclusive Solicitation Period to April 22, 2026 and June 22, 2026, respectively. On February 17, 2026, the Bankruptcy Court entered an order (Docket No. 1939) extending the Exclusive Filing Period to April 22, 2026 and the Exclusive Solicitation Period to June 22, 2026.

On April 22, 2026, the Debtors filed the *Motion of Debtors for an Order Further Extending Exclusive Periods Pursuant to Section 1121(d) of the Bankruptcy Code* (Docket No. 2522) pursuant to which they sought to extend the Exclusive Filing Period and the Exclusive Solicitation Period to July 21, 2026 and September 21, 2026, respectively.

E. DIP FINANCING

The Debtors experienced significant liquidity challenges in the weeks leading up to their chapter 11 filing. On September 23, 2025, the Debtors became aware that Southstate Bank, one of the Debtors' cash management banks, exercised a setoff with respect to $27 million on deposit in an account. The setoff nearly depleted all of the Debtors' operating funds. With the Debtors' comprehensive refinancing process paused, as described above, and no other party willing to provide the Debtors with out-of-court financing, the Debtors pivoted to engaging with the members in the Ad Hoc Group regarding DIP financing. Over the course of a short period (approximately two weeks), the Debtors and the Ad Hoc Group worked around the clock to negotiate and finalize a DIP financing package.

Despite facing an abbreviated period to conduct diligence and underwrite the proposed DIP financing, certain members of the Ad Hoc Group agreed to provide $1.1 billion in new money postpetition financing. In addition, on September 25, 2025—days prior to the commencement of the chapter 11 cases for those entities which commenced filing on September 28, 2025—certain First Lien Lenders agreed to provide $24.5 million in emergency bridge funding. This emergency bridge financing provided this second group of Debtors with additional time to prepare for a more orderly chapter 11 filing, provided the funds necessary to pay employees and other critical expenses, and afforded the Debtors additional time to finalize the DIP Facility (as defined below) and obtain consensual use of certain cash collateral. The bridge proceeds were refinanced with the initial funding of the DIP Facility.

On September 30, 2025, the Debtors filed the *Emergency Motion of Debtors for Interim and Final Orders (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (C) Grant Liens and Provide Claims with Superpriority Administrative Expense Status, (II) Granting*

Adequate Protection to Prepetition Secured Parties, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief (Docket No. 49) (the "**DIP Motion**"). Pursuant to the DIP Motion, the Debtors requested authority to, among other things, obtain senior secured superpriority postpetition financing and approval of their entry into a multiple draw senior secured, superpriority debtor-in-possession credit agreement (as amended on November 5, 2025, and as otherwise modified, supplemented, or waived from time to time prior to the date hereof, the "**DIP Facility**"). The DIP Facility consists of a multiple draw term loan providing for (i) $1.1 billion of New Money DIP Loans, of which $500 million was made available upon entry of the interim order approving the DIP Facility (the "**Interim Draw**") and $600 million was made available upon entry of the Final DIP Order (as defined below) and (ii) $3.3 billion in Roll-Up Obligations, with $1.5 billion rolling up effective upon and subject to entry of the interim order approving the DIP Facility and funding of the Interim Draw and $1.8 billion rolling up effective upon and subject to entry of the Final DIP Order.

On November 9, 2025, the Bankruptcy Court entered the *Final Order (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (C) Grant Liens and Provide Claims with Superpriority Administrative Expense Status, (II) Granting Adequate Protection to Prepetition Secured Parties, (III) Modifying Automatic Stay, and (IV) Granting Related Relief* (Docket No. 608) (the "**Final DIP Order**"), approving on a final basis, among other things, the Debtors' entry into the DIP Facility. The Debtors have fully drawn the New Money DIP Loans under the DIP Facility. As of the date hereof, the aggregate principal amount outstanding under the DIP Facility is approximately $1.4 billion of New Money DIP Loans and $3.6 billion of Roll-Up Obligations.

F. APPOINTMENT OF CREDITORS' COMMITTEE

On October 9, 2025, the U.S. Trustee appointed the Creditors' Committee pursuant to section 1102 of the Bankruptcy Code to represent the interests of unsecured creditors in the chapter 11 cases (Docket No. 313). As of the date hereof, the members of the Creditors' Committee are: (i) First-Citizens Bank & Trust Company; (ii) Motion Industries; (iii) Napier Park Global Capital (US) LP; (iv) Pension Benefit Guaranty Corporation; (v) Yusin Brake Corporation; (vi) Fasanara Capital; (vii) Transend Logistics, LLC; and (viii) T.H.I. Group (Shanghai) LTD.[10] The Creditors' Committee retained Brown Rudnick LLP ("**Brown Rudnick**"), as co-counsel, Cole Schotz P.C. ("**Cole Schotz**"), as efficiency and local counsel, M3 Advisory Partners, LP ("**M3**"), as financial advisor, Ducera Partners LLC ("**Ducera**"), as investment banker, and Nardello & Co. LLC ("**Nardello**") as specialized forensic financial advisor. The Bankruptcy Court entered orders authorizing the retention of such professionals by the Creditors' Committee (Docket Nos. 891 (Brown Rudnick), 892 (Cole Schotz), 893 (M3), 1249 (Ducera), and 2367 (Nardello)).

G. APPOINTMENT OF EXAMINER

On October 8, 2025, Raistone filed a motion for the appointment of an examiner (Docket No. 307), seeking the appointment of an independent examiner under section 1104(c) of the Bankruptcy Code to investigate, among other things, the Debtors' prepetition financing arrangements, including certain factoring and lease transactions, the disposition of proceeds therefrom, and potential claims arising from those transactions. Thereafter, on October 15, 2025, the U.S. Trustee filed a motion for the appointment of an examiner (Docket No. 340), likewise requesting appointment of an examiner to conduct an independent investigation into alleged financial irregularities, potential fraud, and related insider conduct. Various parties in interest filed statements supporting or opposing the requested relief.

[10] Raistone Purchasing LLC ("**Raistone**") was also initially a member of the Creditors' Committee but resigned from the Creditors' Committee on February 23, 2026.

On November 18, 2025, the Debtors filed a proposed agreed order directing the appointment of an examiner (Docket No. 716), reflecting a negotiated resolution of the pending examiner motions with the support of the Creditors' Committee, the Ad Hoc Group, the U.S. Trustee, and Raistone. On November 19, 2025, the Court entered an order directing the appointment of an examiner (Docket No. 726) (the "**Examiner Order**"), directing the appointment of an examiner pursuant to section 1104(c) of the Bankruptcy Code. The Examiner Order authorized the U.S. Trustee to appoint a disinterested examiner (the "**Examiner**") and provided that the Examiner would have the powers and duties set forth therein.

The Examiner Order authorized the Examiner to investigate the Debtors' prepetition factoring practices and related transactions, including allegations that certain third-party factoring transactions involved fraudulent or inaccurate invoices, duplicative factoring of accounts receivable, and the corresponding treatment of such receivables in the Debtors' books and audit reports, as well as to identify the individuals or entities responsible (such investigation, the "**Examination**"). The Examination also encompasses transactions or transfers among the Debtors, their insiders or affiliates, insider-controlled entities, and unaffiliated third-party factors relating to the factoring transactions and the transfer and use of proceeds, including an accounting of proceeds and any third-party property received by the Debtors. In addition, the Examination covers the Debtors' off-balance sheet financing transactions and any related transfers. The Examiner Order also provides that the cost of the Examination is capped at $7 million (inclusive of all costs, fees and expenses), subject to the Examiner's right to seek an increase after notice and hearing.

On January 9, 2026, the Court approved the appointment of Martin De Luca as Examiner (Docket No. 1260). On April 17, 2026, Martin De Luca, as Examiner, filed a sealed interim report of his findings (as amended, revised, or supplemented, the "**Interim Report**") (Docket No. 2479). The Interim Report presents preliminary findings from the Examiner's investigation, which was paused mid-February 2026 due to budget exhaustion. The Interim Report largely corroborates findings and assertions that the FBG Debtors have made and alleged in the ongoing adversary proceedings, finding that First Brands and a network of affiliated SPVs and non-Debtor entities were operated as a single enterprise directed by the Founder and others for the purpose of generating and extracting liquidity through structures that concealed the true perimeter of the business and depleted value available to creditors.

The Interim Report identifies over $720 million in unexplained transfers from FBG-related entities to the Founder and the Patrick James Trust between March 2021 and April 2025, as well as a pattern of extracting value through acquisitions lacking valid business rationale and diverting real estate, equipment, and intellectual property from acquired companies into entities owned by the Founder outside the FBG corporate umbrella. The investigation also uncovered an apparent third-party factoring fraud encompassing inflated invoices, fabricated invoices, and multi-pledging of invoices to multiple factors, facilitated by FBG's fragmented enterprise resource planning systems and centralized control by a small inner circle. The Interim Report further describes systematic accounting manipulation—including the maintenance of "two sets of books" directed by the Founder and the suppression of employee communications with auditors. On April 27, 2026, the Examiner filed a revised sealed interim report of his findings (Docket No. 2538) (the "**Revised Report**"). On April 28, 2026, the Founder filed a response to the Revised Report (Docket No. 2541).

The Examiner represented that he was unable to complete his investigation due to budget constraints and requested a budget increase to facilitate targeted additional discovery, witness interviews, and forensic tracing to materially strengthen the Interim Report's findings within approximately 90 days, noting that, in his opinion, several investigative avenues remain open. No motion to compel such additional funding has been made and the issue remains open.

H. OVERVIEW OF SALE PROCESS

1. *Postpetition Sale Process*

On January 5, 2025, the Debtors, with assistance from Lazard, commenced a marketing and sale process for all of their assets, including the equity interests in non-Debtor subsidiaries (the "**Sale Process**"). As a result of outreach performed by Lazard to over 350 potentially interested parties, over 190 potential buyers executed confidentiality agreements and received access to a virtual dataroom containing technical, commercial, and financial information regarding the Debtors' assets and business units.

On January 8, 2026, the Debtors filed the *Emergency Motion of Debtors for Order (I) Approving (A) Bidding Procedures for Sale of Assets of the Debtors, (B) Form and Manner of Notice of Sale, Auction, and Sale Hearing, and (C) Assumption and Assignment Procedures, (II) Authorizing Designation of Stalking Horse Bidders, (III) Scheduling Auction and Sale Hearing, and (IV) Granting Related Relief* (the "**Bidding Procedures Motion**") (Docket No. 1253), which sought Court approval of auction procedures for the Sale Process, including (i) authorizing the designation of stalking horse bidders, (ii) scheduling auctions and sale hearings, and (iii) approving procedures for the assumption and assignment of contracts, among other relief. However, after filing the Bidding Procedures Motion, the Debtors' already-strained liquidity position deteriorated further and it became clear to the Debtors and their advisors that consummating a sale transaction on the timeline contemplated by the Bidding Procedures Motion was no longer possible under the circumstances. Accordingly, in late January 2026, the Debtors and their advisors reached out to potential bidders and key stakeholders to apprise them of the Debtors' liquidity situation and request that any party interested in the Debtors' assets submit an indication of interest as soon as possible. Simultaneously, the Debtors engaged with certain OEMs to determine whether they would be willing to provide funding to the Debtors to prevent an entire shutdown of their North American businesses and allow the Debtors to continue their efforts to pursue going-concern sales of their remaining business lines.

As further discussed herein, the OEM discussions resulted in the parties reaching an agreement on a weekly operational funding arrangement and, on February 1, 2026, the Court entered the *Order (I) Approving Funding Arrangement with Certain OEM Customers; (II) Modifying the Automatic Stay; and (III) Granting Related Relief* (Docket No. 1848) (the "**OEM Funding Order**"). Pursuant to the OEM Funding Order, as a condition to funding, the Debtors were required to use commercially reasonable efforts to seek approval of the Court of one or more sales on an expedited basis with the consultation of the Participating OEMs.

By February 5, 2026, the Debtors had received approximately 40 non-binding indications of interest ("**IOIs**") spanning several of their business units, which included 25 potentially actionable going-concern IOIs from various bidders. In light of the Debtors' limited liquidity runway and the terms of the OEM Funding Order, the Debtors engaged with potential bidders with respect to diligence questions, transaction parameters, the terms of the proposed sale transactions, and definitive documentation for the

same. The Debtors were ultimately able to reach agreements with potential bidders for sales of the following business units and assets:

Assets	Buyer	Purchase Price
Walbro	Overdrive Capital, LLC	$50,000,000.00 in cash plus certain assumed liabilities (going-concern sale)
Wipers, Filters and Plugs, and Strongarm Intellectual Property	PGI Northstar LLC	$25,000,000 in cash plus royalties over a 10-year period and certain assumed liabilities

2. ***Walbro Sale***

On March 9, 2026, the Debtors filed the *Emergency Motion for Order (A) Approving Sale Transaction for Debtors' Walbro Assets, (B) Approving Assumption, Assignment, and Sale of Certain Contracts and Unexpired Leases, and (C) Granting Related Relief* (Docket No. 2081), seeking approval of the sale of the Debtors' Walbro[11] business for $50 million (plus certain assumed liabilities) to Overdrive Capital, LLC (guaranteed by Polaris Industries Inc.), an entity owned and operated by common shareholders and officers of the Active Dynamics Group, and setting a sale hearing to consider approval of the Walbro sale on March 13, 2026. On March 13, 2026, the Court approved the Walbro sale and entered the *Order (A) Authorizing and Approving Sale of Debtors' Walbro Assets Free and Clear of Liens, Claims, Encumbrances, and Interests, (B) Approving Assumption and Assignment of Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* (Docket No. 2154). The Walbro sale closed on March 16, 2026 and preserved approximately 600 jobs.

3. ***Intellectual Property Sale***[12]

On March 26, 2026, the Debtors filed the *Emergency Motion for Order (A) Approving Sale Transaction for Certain of the Debtors' Intellectual Property and Related Assets, (B) Approving Assumption, Assignment, and Sale of Certain Executory Contracts, and (C) Granting Related Relief Filed by Debtor First Brands Group, LLC* (Docket No. 2236) (the "**IP Sale Motion**"), seeking approval of the sale of intellectual property related to three of their business lines—Wipers, Strongarm, and Filters and Plugs—to PGI Northstar LLC for $25 million in cash proceeds plus royalties over a 10-year period and certain assumed liabilities.

The Debtors received one objection to the IP Sale Motion filed by The NOCO Company (Docket No. 2305) ("**NOCO**" and the objection filed by NOCO, the "**NOCO Objection**"). In its objection, NOCO

[11] "**Walbro**" means the business operated by the Debtors consisting of the development, design, manufacture, sourcing, marketing, distribution, and sale of products and services under or primarily associated with (a) small engine fuel systems, carburetors, fuel pumps, ignition systems, electronic fuel injection, plastic injection molding and related components across power equipment, powersports, marine, and specialty engines and (b) operations under brand names associated with Walbro or Carter Carburetor, in each case, at, from, or through certain facilities operated by the Debtors.

[12] Capitalized terms used but not defined in this Section IV.H.3 shall have the meanings ascribed to them in the IP Sale Motion.

alleged it had sought to submit a bid for a subset of the Debtors' Wipers intellectual property assets but was not provided an adequate opportunity to participate in the Sale Process and was not aware that an intellectual property-only bid could be submitted. In response, the Debtors filed the *Debtors' Reply to Objection to Intellectual Property Sale Motion* (Docket No. 2325), arguing that, among other things, the Court should overrule the NOCO Objection, that the relief requested in the IP Sale Motion was in the best interests of their estates, and that NOCO had been provided an adequate opportunity to participate in in the Sale Process.

On April 7, 2026, at the hearing to consider the relief requested in the IP Sale Motion (the "**IP Sale Hearing**"), the Court determined that the IP Sale Hearing should be adjourned to Friday, April 10, 2026, during which time NOCO could elect to submit a bid for the Debtors' Wipers intellectual property assets. Following the initial Sale Hearing, the Debtors engaged directly with NOCO and provided NOCO with diligence materials on an expedited timeline. Subsequently, on April 9, 2026, NOCO filed the *Notice of Withdrawal of Objection of The NOCO Company to Emergency Motion for Order (A) Approving Sale Transaction for Certain of the Debtors' Intellectual Property and Related Assets, (B) Approving Assumption, Assignment, and Sale of Certain Executory Contracts, and (C) Granting Related Relief* (Docket No. 2394), withdrawing the NOCO Objection. Thereafter, on April 10, 2026, the Court entered the *Order (A) Authorizing and Approving Sale of Certain of Debtors' Intellectual Property Assets Free and Clear of Liens, Claims, Encumbrances, and Interests, (B) Approving Assumption and Assignment of Certain Executory Contracts, and (C) Granting Related Relief* (Docket No. 2399), approving the relief requested in the IP Sale Motion.

As of the date hereof, the Debtors, with assistance from Lazard, continue to pursue additional going-concern sales for certain business units. Any party interested in submitting a bid should contact Lazard at project.overdrive.lazard@lazard.com.

I. OEM FUNDING ARRANGEMENT

On January 28, 2026, the Debtors filed the *Emergency Motion of Debtors for Order (I) Approving Funding Arrangement with Certain OEM Customers; (II) Modifying the Automatic Stay; and (III) Granting Related Relief* (Docket No. 1763), which sought the Court's approval of a modification of the automatic stay to the extent necessary to implement and effectuate the terms and provisions of the funding arrangement (the "**OEM Funding Arrangement**") by and between the Debtors and certain OEMs (the "**Participating OEMs**"), under which participating OEMs agreed to prepay for critical products and to fund certain operating, labor, and corporate costs at specified business units on a weekly basis, beginning with approximately $48 million for the week of January 25, 2026. The OEM funding helped avert the immediate shutdown of additional facilities employing approximately 13,000 employees and provided the runway necessary to pursue going-concern sales of the Debtors' remaining business lines, conditioned on the Debtors' commitment to seek expedited approval of one or more going-concern sales.

On February 1, 2026, the Bankruptcy Court entered the OEM Funding Order. The OEM Funding Arrangement allows the Participating OEMs to provide weekly funding as prepayment for critical products, including covering certain operating, labor, and corporate costs at specified business units. In addition, pursuant to the OEM Funding Order, the Debtors are also authorized to, among other things, use proceeds of the OEM Funding Arrangement to fund a segregated account to satisfy certain potential liabilities of, and benefits provided by, the Debtors with respect to employees.

In total, 22 Participating OEMs signed the OEM Funding Arrangement term sheet, pursuant to which such Participating OEMs provided weekly operational funding in the form of prepayments to various Debtors, with the last weekly funding provided for operations through April 30, 2026. The Debtors

continue to work with Participating OEMs to remove all applicable Participating OEM-owned inventory and tooling from the Debtors' facilities.

J. SPECIAL COMMITTEE INVESTIGATION

In September 2025, the Board of Managers at each of the Parent Entities appointed the Special Committee. The Special Committee has the exclusive power and authority to, among other things, conduct and oversee the Investigation. The scope of the Investigation includes matters relating to the Company's prepetition factoring and other off-balance sheet financing processes discussed herein. After the commencement of these chapter 11 cases, the Special Committee, working with Weil, as counsel, and A&M, as financial advisor, approved the independent Investigation of potential claims held by the Company.

The Investigation included: (i) an investigation of the Debtors' prepetition activities and analysis of estate claims and causes of action; (ii) conducting more than two dozen interviews with current and former employees of the Company; (iii) coordinating with the Debtors' other advisors to preserve evidence obtained in connection with the investigation as well as the email and documents of key custodians; (iv) drafting and serving Rule 2004 discovery requests on multiple third parties and meeting and conferring with counsel of such third parties to discuss discovery productions; (v) reviewing hundreds of thousands of documents and emails collected from the Company and its employees and produced by third parties in response to document requests, and drafting memoranda summarizing same; (vi) coordinating with the Debtors' advisors to establish a whistleblower hotline and analyzing tips received through same; (vii) analyzing bank records and coordinated with Debtors' advisors on cash tracing efforts; (viii) researching potential estate claims and causes of action. Due to liquidity restraints and the Examiner's appointment, however, the Investigation has not been completed.

As a result of the Investigation, the Debtors and their advisors determined that, in order to maximize the value of the Debtors' estates, among other actions, it was necessary to commence the James Adversary Proceeding and the Onset Adversary Proceeding.

K. ADVERSARY PROCEEDINGS AND OTHER LITIGATION

1. *James Adversary Proceeding*

On November 3, 2025, the Debtors commenced the James Adversary Proceeding. The James Adversary Proceeding asserts eleven counts against the defendants, including turnover of estate property pursuant to 11 U.S.C. § 542; actual and constructive fraudulent transfer under 11 U.S.C. §§ 544(b) and 548(a)(1), and Ohio and Delaware state law; and various Ohio and Delaware state-law claims. The operative complaint seeks, among other relief: (i) to freeze all bank accounts and other property owned or controlled by the defendants, (ii) to avoid and recover certain fraudulent transfers, (iii) to obtain a declaration that the defendants were unjustly enriched at the Debtors' expense, (iv) to avoid and recover improper transfers of the Debtors' property, including its intellectual property, and to direct reversion of title to the Debtors; (v) to impose a constructive trust upon Defendants' account with respect to the fraudulent transfers; (vi) the award of compensatory, consequential, and punitive damages; (vii) an equitable accounting; (viii) pre- and post-judgment interest; and (ix) attorney's fees and costs. On November 3, 2025, the Debtors filed a motion for a temporary restraining order (the "**TRO**") and preliminary injunction, seeking to freeze the defendants' bank accounts and prohibit them from dissipating assets. The Bankruptcy Court entered the TRO that same day. After holding a hearing on the preliminary injunction, the Court denied the application on November 12, 2025. On November 14, 2025, Onset moved to intervene in the adversary proceeding (Adv. Pro. 25-03803, Docket No. 71). On January 7, 2026, the Court held a hearing on the intervention motion. On January 9, 2026, the Court denied Onset's request to

intervene. On January 19, 2026, the Debtors filed an amended complaint (Adv. Pro. 25-03803, Docket No. 104), adding new defendants Michael Baker, Peter Andrew Brumbergs, and Stephen Graham, and additional claims. On February 4, 2026, the Court entered an order (Adv. Pro. 25-03803, Docket No. 160) extending the deadline for the defendants to respond to the amended complaint to 60 days after the Court's order, staying all discovery, and striking all other case deadlines pending the 60-day response period.

On January 29, 2026, the Founder and the Founder's Brother were indicted with conspiracy to commit wire fraud and bank fraud, conspiracy to commit money laundering, and multiple counts of wire fraud and bank fraud, in each case, in connection with various schemes to defraud lenders regarding the liabilities and financial condition of the Company. Peter Brumbergs and Stephen Graham each pleaded guilty in connection with their roles in the alleged scheme.

On March 12, 2026, the United States of America (the "**U.S. Government**") filed a motion to intervene in the adversary case (Adv. Pro. 25-03803, Docket No. 166) (the "**U.S. Motion to Intervene**"), for the limited purpose of seeking a stay of all discovery, including depositions and witness testimony, pending resolution of the criminal case titled *United States v. Patrick James & Edward James*, 26 Cr. 29 (AT) (S.D.N.Y.). On April 17, 2026, the Court entered an order (Adv. Pro. 25-03803, Docket No. 181) granting the U.S. Motion to Intervene and staying all discovery pending resolution of the criminal case titled *United States v. Patrick James & Edward James*, 26 Cr. 29 (AT) (S.D.N.Y.).

On April 6, 2026, Peter Brumbergs, Stephen Graham, and Michael Baker each moved to dismiss the adversary proceeding (Adv. Pro. 25-03803, Docket Nos. 170, 173, and 174). Also on April 6, 2026, Michael Baker moved to withdraw the reference as to the claims against him (Adv. Pro. 25-03803, Docket No. 172). The motions to dismiss and the motion to withdraw the reference remain pending.

2. ***Onset Adversary Proceeding***

On January 9, 2026, the Debtors commenced the Onset Adversary Proceeding. In the Onset Complaint, the Debtors assert claims for fraudulent transfers, preferential transfers, breach of fiduciary duty, aiding and abetting breach of fiduciary duty, and tortious interference, among other claims. The Debtors also assert a claim to recharacterize the leases with Onset as disguised financing arrangements, which are unperfected or subordinated to other liens and, regardless, should be equitably subordinated or disallowed. The Onset Complaint details allegations of a partnership between the Founder's Brother and Onset and their scheme to burden the Debtors with billions of dollars of debt in sham lease transactions that resulted in approximately $2.9 billion transferred to Onset with the Debtors receiving no or grossly inadequate value. Additionally, the alleged scheme provided the Founder's Brother with hundreds of millions of dollars for "investing" alongside Onset, further damaging the Debtors and their rightful creditors.

On February 19, 2026, Onset filed its answer to the Onset Complaint (Adv. Pro. 26–03005, Docket No. 16) (the "**Onset Answer**"), denying the allegations in the Onset Complaint and asserting a series of counterclaims, crossclaims, and third-party claims. In its answer, Onset denies that the challenged transactions constituted disguised financings, fraudulent transfers, or inequitable arrangements. Onset further denies that the use of SPVs, the size or structure of the transactions, or the Founder's Brother's involvement supports an inference of wrongdoing, and instead alleges that Onset and its affiliates were victims of fraud perpetrated by, among others, the Founder's Brother, against whom Onset asserts crossclaims. As part of its answer, Onset asserts crossclaims and third-party claims against the Founder, the Founder's Brother, and various insiders arising from their alleged fraudulent conduct, including claims for fraud, civil conspiracy, and violations of the Racketeer Influenced and Corrupt Organizations Act (RICO). The Onset Answer further seeks declaratory relief that the Onset Transactions (as defined in the Onset Answer) constitute "true leases" and that Onset is the rightful owner of the related inventory and

equipment. In the alternative, Onset seeks a determination that it holds a valid, perfected, first-priority lien on such assets.

On March 6, 2026, Onset filed a motion for judgment on the Debtors' claims against Onset based on the pleadings pursuant to Federal Rule of Civil Procedure 12(c) ("**Rule 12(c) Motion**") (Adv. Pro. 26–03005, Docket No. 32). On the same day, certain of Onset's funding partners filed a separate motion to dismiss the claims against them pursuant to Federal Rule of Civil Procedure 12(b)(6) ("**Rule 12(b) Motion**") (Adv. Pro. 26–03005, Docket No. 33).

On March 13, 2026, the U.S. Government filed a motion to intervene in the adversary proceeding and stay all discovery pending resolution of related criminal proceedings (Adv. Pro. 26–03005, Docket No. 69). The U.S. Government asserts that a stay is necessary to protect the integrity of the federal criminal case against the James brothers, contending that they would otherwise attempt to use civil discovery in the proceeding to undermine the criminal prosecution. On March 20, 2026, the Debtors filed a separate motion seeking to stay all discovery, pleadings, and related deadlines in the Onset Adversary Proceeding for a period of sixty (60) days to allow the Debtors to focus on case resolution issues in the chapter 11 cases and effectuating value-maximizing sales due to the Debtors' severe liquidity constraints (Adv. Pro. 26–03005, Docket No. 75). The Court entered an order (the "**Stay Order**") granting the Debtors' motion and staying all case deadlines for a period of sixty (60 days) on March 24, 2026 (Adv. Pro. 26–03005, Docket No. 78).

On March 31, 2026, Onset filed a motion to reconsider the Court's entry of the Stay Order, arguing that the stay should be lifted to allow prosecution of the Rule 12(b) Motion and Rule 12(c) Motion, but not otherwise objecting to the Stay Order (Adv. Pro. 26–03005, Docket No. 103). The Debtors filed a response in opposition to the motion to reconsider on April 21, 2026, arguing that, among other things, the Court had inherent authority to enter the stay, the stay is necessary to allow the Debtors to complete critical going-concern sales for the benefit of all stakeholders including Onset, and the pre-discovery Rule 12(b) Motion and 12(c) Motion are unlikely to succeed given the detailed, well-pleaded allegations in the Onset Complaint.

The Bankruptcy Court has not made any rulings with respect to the Onset Complaint or Onset Answer. Accordingly, there is a bona fide and ongoing dispute concerning the ownership of, and the existence, validity, and priority of any interests or liens asserted by Onset in, the property subject to the Onset Transactions.

3. ***WARN Act Adversary Proceedings***

a. *Giancarlo Hernandez v. First Brands Group, LLC and Brake Parts India LLC, Adv. Pro. No. 26-3038*

On February 10, 2026, plaintiff Giancarlo Hernandez, on behalf of himself and those similarly situated, filed a class-action adversary proceeding complaint against FBG and Brake Parts Inc. India LLC (Adv. Pro. 26-3038, Docket No. 1) (the "**Garza AP**"), asserting claims under the federal Worker Adjustment and Retraining Notification Act, 29 U.S.C. §§ 2101–2109 (the "**WARN Act**"), the Illinois Worker Adjustment and Retraining Notification Act, 820 ILCS 65/1, and the Ohio Worker Adjustment and Retraining Notification Act, Ohio Rev. Code Ann. § 4113.31. On February 27, 2026, plaintiffs Francisco Garza, Manuel Leal, Ciara Childs, Tim Johnson, and Manuel Fernandez (the "**Garza Plaintiffs**"), on behalf of themselves and those similarly situated, filed an amended class-action adversary complaint, removing Giancarlo Hernandez as a plaintiff and adding Hopkins Corporation d/b/a Hopkins Manufacturing Corporation and Champion Laboratories, Inc. as defendants (Adv. Pro. 26-3038, Docket No. 14). On March 4, 2026, the Garza Plaintiffs moved for leave to file a second amended complaint (Adv. Pro. 26-3038, Docket No. 17) (the "**Leave Motion**"), to add additional parties and allegations.

On March 13, 2026, the Defendants moved to dismiss the amended complaint and opposed the Leave Motion (Adv. Pro. 26-3038, Docket No. 18) (the "**Garza Motion to Dismiss**"), arguing, *inter alia*, that the plaintiffs failed to plead the threshold requirements for federal and state WARN Act coverage, failed to state a plausible claim in light of statutory exceptions to the federal and state WARN Acts, and that the Leave Motion should be denied because the proposed second amended complaint did not cure the fundamental deficiencies identified in the Garza Motion to Dismiss and was therefore futile. The Leave Motion and the Garza Motion to Dismiss are currently pending.

On March 20, 2026, Maria Tapia and Giancarlo Hernandez, the plaintiffs in a parallel adversary proceeding that also asserts WARN Act claims, filed a motion for class certification in both the Garza AP (Adv. Pro. 26-3038, Docket No. 20) and the Tapia AP (as defined below) (Adv. Pro. 26-3052, Docket No. 35) (the "**Class Certification Motion**"). On April 8, the Court entered a stipulation and agreed order in both adversary proceedings that postponed a ruling on the Class Certification Motion until after the Court had adjudicated the motion to dismiss pending in the Garza AP and the Tapia AP (Adv. Pro. 26-3038, Docket No. 24; Adversary Proceeding No. 26-3052, Docket No. 39). On April 10, the Garza Plaintiffs moved to consolidate the two WARN Act adversary proceedings and appoint their attorneys as interim co-lead counsel (Adv. Pro. 26-3038, Docket No. 27; Adv. Pro. 26-3052, Docket No. 42) (the "**Consolidation Motion**"). The Consolidation Motion is currently pending.

b. *Maria Tapia and Giancarlo Hernandez v. First Brands Group, LLC, Adv. Pro. No. 26-3052*

On February 13, 2026, Maria Tapia and Giancarlo Hernandez (the "**Tapia Plaintiffs**"), on behalf of themselves and all others similar situated, initiated an adversary proceeding against FBG and Brake Parts Inc. LLC (Adv. Pro. 26-03052, Docket No. 1) (the "**Tapia AP**"), asserting violations of the federal WARN Act and no claims under state law. On February 27, 2026, the plaintiffs filed an amended class-action adversary complaint, adding plaintiffs and additional Debtor-defendants (Adv. Pro. 26-03052, Docket No. 6). On March 18, 2026, the Debtor-defendants moved to dismiss the amended complaint (Adv. Pro. 26-03052, Docket No. 34) (the "**Tapia Motion to Dismiss**"), arguing, *inter alia*, that the plaintiffs failed to plead the threshold requirements for federal WARN Act coverage and failed to state a plausible claim in light of statutory exceptions to the federal WARN Act. The Tapia Motion to Dismiss is currently pending.

On March 20, as described above in connection with the Garza AP, the Tapia Plaintiffs filed their Class Certification Motion in the Garza AP and the Tapia AP. (Adv. Pro. 26-3038, Docket No. 20; Adv. Pro. 26-3052, Docket No. 35). On April 8, the Court entered the stipulation and agreed order between that postponed a ruling on the Class Certification Motion until after the Court had adjudicated the Leave Motion and Tapia Motion to Dismiss (Adv. Pro. 26-3038, Docket No. 39). On April 10, the Garza Plaintiffs filed their Consolidation Motion in both adversary proceedings, which remains pending.

4. ***D&O Insurance Litigation***

On November 26, 2026, the Founder, along with the Founder's Brother and former executives Stephen Graham and Michael Baker, filed a motion (Docket No. 798) (the "**D&O Motion**") to partially lift the automatic stay to allow them access to proceeds of certain of the Debtors' director and officers' ("**D&O**") insurance policies. For the annual policy period expiring on February 2, 2026, the Debtors' primary D&O insurance policy was issued by the Berkshire Hathaway Specialty Insurance Company and their excess policies were issued by certain other insurers prior to the commencement of these chapter 11 cases, and all such policies in the aggregate provide up to $200 million of coverage for claims made during that annual policy period, subject to the terms and conditions set forth thereunder. On January 7, 2026, following a contested hearing, the Court entered an order (Docket No. 1231) (the "**D&O**

Order") overruling the objections of the Creditors' Committee and Raistone, allowing the movants to access the Debtors' Side A D&O insurance policies, but not their ABC Policy (as defined in the D&O Motion).

The Founder's Brother filed a notice of appeal on January 21, 2026 (Docket No. 1647) of the D&O Order, and, on February 4, 2026, seven insurance companies (QBE Insurance Corporation, Ironshore Indemnity, Inc., Fair American Insurance and Reinsurance Company, Allianz Global Risks US Insurance Company, Westfield Select Insurance Company, AXIS Insurance Company, and Zurich American Insurance Company, collectively, the "**D&O Insurers**") filed a notice of appeal (Docket No. 1865). The Founder's Brother and the D&O Insurers appeal the Court's finding that the Debtors have an interest in proceeds of the ABC Policy that constitute property of the estate under section 541 of the Bankruptcy Code. The appeals are assigned to Judge Lee H. Rosenthal of the U.S. District Court for the Southern District of Texas (the "**District Court**"). On April 3, 2026, the District Court entered an order (Civil Action No. H-26-962, Docket No. 43) (the "**Appeals Consolidation Order**") consolidating the appeals filed by Founder's Brother and the D&O Insurers under Civil Action No. 26-513. On April 7, 2026, the Creditors' Committee filed a motion to dismiss the D&O Insurers' appeal (Civil Action No. 26-513, Docket No. 44), which the District Court denied on April 24, 2026 (Civil Action No. 26-513, Docket No. 54). The appeals remain pending in the District Court. Pursuant to the Appeals Consolidation Order, the appellants' opening briefs are due on May 25, 2026.

L. SPV LITIGATION

1. *Aequum*

On March 28, 2024, SPV Debtor Broad Street Financial, LLC, as borrower ("**BSF**"), entered into that certain *Credit Agreement* (as may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "**Aequum Facility**") with, among others, Aequum Capital Financial II, LLC, as administrative agent and collateral agent, and the lenders from time to time party thereto (collectively, the "**Aequum Secured Parties**"). Under the Aequum Facility, the Aequum Lenders provided an asset-based revolving credit facility in an aggregate principal amount of $45 million to BSF. Under the Aequum Facility and ancillary agreements, BSF purported to purchase inventory directly from the FBG Debtors and utilize that inventory as a borrowing base to obtain credit from the Aequum Secured Parties. The Aequum Secured Parties assert first priority liens over certain of the Debtors' inventory located at a facility in Arlington, Texas (the "**Aequum Collateral**").

On October 1, 2025, the Aequum Secured Parties filed the *Limited Objection and Reservation of Rights to Emergency Motion of Debtors for Interim and Final Orders (I) Authorizing Debtors to (A) Obtain Postpetition Financing, (B) Use Cash Collateral, and (C) Grant Liens and Provide Superpriority Administrative Expense Claims, (II) Granting Adequate Protection to the Prepetition Secured Parties, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (Docket No. 139), asserting that they were not adequately protected under the proposed financing arrangement.

The same day, following good faith negotiations, the Court entered the *Stipulation and Agreed Order Regarding Adequate Protection of Aequum Capital Financial II, LLC and the Aequum Lenders* (Docket No. 215) (the "**Initial Aequum Adequate Protection Stipulation**"), which permitted the Debtors to continue using and selling the Aequum Collateral for an interim period, including cash collateral, under certain conditions.

On October 31, 2025, the Aequum Secured Parties filed the *Aequum Capital Financial II LLC's (1) Emergency Motion to Enforce Stipulation and Agreed Order Regarding Adequate Protection of Aequum Capital Financial II LLC and the Aequum Lenders and (2) Second Objection and Reservation of Rights to*

Emergency Motion of Debtors for Interim and Final Orders (I) Authorizing Debtors to (A) Obtain Postpetition Financing, (B) Use Cash Collateral, and (C) Grant Liens and Provide Superpriority Administrative Expense Claims, (II) Granting Adequate Protection to the Prepetition Secured Parties, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief (Docket No. 485) (the "**Aequum Second DIP Objection**"), asserting that the Debtors had breached the Initial Aequum Adequate Protection Stipulation.

On November 10, 2025, the Aequum Secured Parties filed the *Motion of Aequum Capital Financial II LLC for Entry of an Order (I) Dismissing Chapter 11 Case of Debtor Broad Street Financial, LLC, or, in the Alternative, (II) Granting Relief from the Automatic Stay, or (III) Appointing a Chapter 11 Trustee* (Docket No. 631) (the "**Aequum Motion to Dismiss**").

On December 19, 2025, the Court entered the *Stipulation and Agreed Order Regarding Adequate Protection of the Aequum Secured Parties* (Docket No. 1018) (the "**Further Aequum Adequate Protection Stipulation**"), which replaced the Initial Aequum Adequate Protection Stipulation and, among other things, allowed the Debtors to continue selling Aequum Collateral until April 4, 2026. Pursuant to the Further Aequum Adequate Protection Stipulation, the Aequum Secured Parties agreed to withdraw the Aequum Second DIP Objection and abate the Aequum Motion to Dismiss.

On January 16, 2026, the Aequum Secured Parties filed the *Motion for Relief from Stay of Aequum Capital Financial II LLC for Entry of an Order Granting Relief from the Automatic Stay* (Docket No. 1370) and the *Emergency Motion of Aequum Capital Financial II LLC for Entry of an Order (I) Prohibiting Use of Cash Collateral, or, in the Alternative, (II) Conditioning Use of Aequum Collateral and Cash Collateral* (Docket No. 1372).

On January 29, 2026, the Court entered the *Agreed Order Granting Emergency Motion of Aequum Capital Financial II LLC for Entry of an Order Granting Relief from the Automatic Stay* (Docket No. 1820) (the "**Aequum Agreed Lift Stay Order**"), which granted the Aequum Secured Parties relief from the automatic stay to enforce their liens, security interests, rights, and remedies under their loan documents against the Aequum Collateral, while reserving other parties' rights. The Further Aequum Adequate Protection Stipulation was terminated upon entry of the Aequum Agreed Lift Stay Order.

Since entry of the Aequum Agreed Lift Stay Order, the Debtors and the Aequum Secured Parties have coordinated to provide access to and possession of the Aequum Collateral to the Aequum Secured Parties to the extent provided under the Aequum Agreed Lift Stay Order.

2. ***Evolution***

On November 9, 2023, SPV Debtor Patterson Inventory, LLC ("**Patterson**") entered into that certain *Uncommitted Inventory Finance Agreement* (as may be amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "**Patterson Facility**") with Evolution Credit Opportunity Master Fund II-B, L.P., as lender ("**Evolution**"). Under the Patterson Facility, Evolution provided an uncommitted asset-based revolving credit facility with a maximum aggregate amount of advances of $150 million to Patterson. Patterson's obligations under the Patterson Facility are (i) guaranteed by SPV Debtor Patterson Inventory Holdings, LLC ("**Patterson Parent**"), (ii) secured by a pledge of 100% equity of Patterson that the Patterson Parent owns, and (iii) secured by a lien on all assets of Patterson.

On March 28, 2024, SPV Debtor Starlight Inventory I, LLC ("**Starlight**" and, together with Patterson, the "**Evolution Borrowers**") entered into that certain *Uncommitted Inventory Finance Agreement* (as may be amended, restated, amended and restated, supplemented, or otherwise modified from

time to time, the "**Starlight Facility**"). Under the Starlight Facility, Evolution provided an uncommitted asset-based revolving credit facility with a maximum aggregate amount of advances of $150 million to Starlight. Starlight's obligations under the Starlight Facility are (i) guaranteed by SPV Debtor Starlight Inventory Holdings I, LLC ("**Starlight Parent**"), (ii) secured by a pledge of 100% equity of Starlight that Starlight Parent owns, and (iii) secured by a lien on all assets of Starlight.

a. *Evolution Chapter 11 Litigation*

As of the commencement of the chapter 11 cases, there was approximately (i) $120 million in principal amount outstanding under the Patterson Facility and (ii) $110 million in aggregate principal amount outstanding under the Starlight Facility. Under these Patterson Facility, Starlight Facility, and ancillary agreements, the Evolution Borrowers purported to purchase eligible inventory from the FBG Debtors and use that inventory as a borrowing base to obtain credit from Evolution. Evolution asserts a first priority lien over certain of the Debtors' inventory located at four facilities in Illinois and California (the "**Evolution Collateral**").

On October, 1, 2025, the Court entered the *Stipulation and Agreed Interim Order Regarding Adequate Protection Among Debtors and Evolution Credit Partners* (Docket No. 216), which allowed the Debtors to continue to use and sell the Evolution Collateral under certain conditions.

On October 30, 2025, Evolution filed the *Evolution Inventory Lenders' Limited Objection to Debtors' Cash Collateral Motion* (Docket No. 459) (the "**Evolution DIP Objection**"), arguing that the Final DIP Order did not adequately protect Evolution's interests in accordance with the Bankruptcy Code.

On November 9, 2025, the Court entered the *Stipulation and Agreed Order Regarding Adequate Protection Among Debtors and Evolution Credit Partners* (Docket No. 609) (the "**Further Evolution Adequate Protection Stipulation**"), in which Evolution agreed to withdraw the Evolution DIP Objection (Docket No. 459) and abate the *Evolution Inventory Lender's Emergency Motion for an Order Appointing a Chapter 11 Trustee* (Docket No. 461). The Further Evolution Adequate Protection Stipulation allowed the Debtors to continue to use and sell the Evolution Collateral under certain conditions.

On December 23, 2025, Evolution filed *the Emergency Motion to Enforce Stipulation and Agreed Order Regarding Adequate Protection Among Debtors and Evolution Credit Partners* (Docket No. 1076) (the "**Evolution Motion to Enforce**"), asserting that it was not adequately protected and that the Debtors had breached the Collateral Maintenance Covenant (as defined in the Further Evolution Adequate Protection Stipulation) by allowing the value of the Evolution Collateral to drop below the Collateral Maintenance Threshold (as defined in the Further Evolution Adequate Protection Stipulation).

On January 10, 2026, the Debtors filed the *Debtors' (I) Objection to Evolution's Emergency Motion to Enforce Stipulation and Agreed Order Regarding Adequate Protection Among Debtors and Evolution Credit Partners and (II) Emergency Request for Use of Alleged Cash Collateral* (Docket No. 1280) (the "**Debtors' Objection and Cross Motion**"), objecting to the Evolution Motion to Enforce on the grounds that, among other things, the Collateral Maintenance Threshold remained satisfied under the plain terms of the Further Evolution Adequate Protection Stipulation, and further argued that Evolution's interests were adequately protected on a go-forward basis. Evolution filed the *Reply in Support of Evolution's Emergency Motion to Enforce Stipulation and Agreed Order Regarding Adequate Protection Among Debtors and Evolution Credit Partners* (Docket No. 1297) on January 12, 2026.

On January 13, 2026, the Court heard evidence and arguments on the Evolution Motion to Enforce and ruled that the Further Evolution Adequate Protection Stipulation was not facially ambiguous, but requested the Debtors present additional evidence and continued the hearing to January 20, 2026. After

hearing additional arguments from the Debtors on January 20, 2026, the Court overruled the Debtors' Objection and Cross Motion and held that the Debtors had breached the Further Evolution Adequate Protection Stipulation. Following the January 20, 2026 hearing, the Debtors stopped all movement of the asserted Evolution Collateral and took steps to segregate any proceeds generated therefrom.

On March 11, 2026, Evolution filed the *Emergency Motion for Entry of an Order Converting Chapter 11 Cases of Certain SPV Debtors to Chapter 7* (Docket No. 2110) (the "**Evolution Motion to Convert**"), seeking an order converting the chapter 11 cases of Debtors Patterson Inventory, LLC, Patterson Inventory Holdings, LLC, Starlight Inventory I, LLC, and Starlight Inventory Holdings I, LLC (the "**Evolution SPV Debtors**"). On April 1, 2026, the Debtors filed the *Debtors' Response to Evolution's Emergency Motion for Entry of an Order Converting Chapter 11 Cases of Certain SPV Debtors to Chapter 7* (Docket No. 2283), explaining that, among other things, conversion of the Evolution SPV Debtors' cases to chapter 7 was premature, but the Debtors would consent to the conversion if the parties could reach an agreement on a proposed form of conversion order that facilitated an orderly conversion and avoided disruption and harm to the remaining Debtors in chapter 11.

On April 8, 2026, the Debtors filed the *Debtors' Emergency Motion for Approval of Settlement in Connection with Agreed Proposed Order Converting Chapter 11 Cases of Certain SPV Debtors to Chapter 7* (Docket No. 2372) (the "**Conversion Settlement Motion**"), announcing that the parties had reached agreement on a proposed form of order converting the Evolution SPV Debtors' cases to chapter 7 and seeking approval of a consensual settlement therein pursuant to Bankruptcy Rule 9019. That settlement required, among other things, that the remaining Debtors in chapter 11 meet and confer with the chapter 7 trustee upon appointment. On April 9, 2026, the Court granted the Evolution Motion to Convert and the Conversion Settlement Motion in a combined hearing and entered the *Order (I) Converting Chapter 11 Cases of Evolution SPV Debtors to Cases Under Chapter 7; and (II) Granting Related Relief* (Docket No. 2396).

On April 9, 2026, a *Notice of Chapter 7 Bankruptcy Case* (*see,* e.g., Case No. 25-90393, Docket No. 11) was entered in each of the Evolution SPV Debtors' cases noticing the (i) conversion of each case, (ii) appointment of Ronald Sommers as interim chapter 7 trustee, and (iii) the section 341(a) meeting of creditors set to be held on May 20, 2026.

b. *Evolution Adversary Proceeding I*

On October 31, 2025, Evolution filed an adversary complaint against the Debtors seeking a declaratory judgment as to whether Evolution has a perfected, first priority security interest in collateral in connection with two structured inventory financing facilities: the Patterson Facility and the Starlight Facility (each as defined therein) (Adv. Pro. 25-03800, Docket No. 1) ("**Evolution Adv. Proc. I**").

On December 10, 2025, Evolution filed its first amended complaint (Adv. Pro. 25-03800, Docket No. 10) (the "**First Amended Complaint**") adding Bank of America, N.A ("**BofA**"), Wilmington Savings Fund Society, FSB ("**WSFS**"), and GLAS USA LLC ("**GLAS**") as defendants in the action.

On January 29, 2026, Defendant BofA filed a motion to dismiss the Evolution Adv. Proc. I (Adv. Pro. 25-03800, Docket No. 27), which argued that Evolution had failed to plead that the applicable loan documents permitted the relevant transactions and inventory transfers and that Evolution failed to allege that the inventory subject to its lien claim transferred to Evolution, to which the Debtors filed a joinder (Adv. Pro. 25-03800, Docket No. 32). On January 29, 2026, Defendants WSFS and GLAS also filed a joint motion to dismiss on the basis of pleading deficiencies (Adv. Pro. 25-03800, Docket No. 33).

On February 19, 2026, Evolution filed an omnibus opposition to the Defendants' motion to dismiss, which argued that the First Amended Complaint properly states a claim for declaratory relief as it adequately alleges that Evolution holds a perfected, first-priority lien against and security interest in the collateral at issue (Adv. Pro. 25-03800, Docket No. 46). On February 26, 2026, Defendant BofA and Defendants WSFS and GLAS filed reply briefs in support of their respective motions to dismiss (Adv. Pro. 25-03800, Docket Nos. 50, 51). The motions to dismiss remain pending at this time.

3. ***UMB***

SPV Debtors Global Assets LLC and Global Assets GmbH (together, the "**UMB Borrowers**") entered into a credit agreement with UMB Bank, N.A. ("**UMB Bank**"), as administrative agent and collateral agent, and the lenders party thereto (together, the "**UMB Lenders**"), with an outstanding principal amount of $33 million as of the commencement of these chapter 11 cases. Under the credit agreement and ancillary documents, the UMB Borrowers purported to purchase inventory directly from the FBG Debtors related to the Ultinon business unit and utilize that inventory as a borrowing base to obtain credit from the UMB Lenders. The UMB Lenders assert a first-priority lien over certain of the Debtors' inventory located at facilities in Germany, Poland, and Michigan (the "**UMB Collateral**").

On October 1, 2025, UMB Bank filed *UMB Bank, N.A's Joinder to Aequum Capital Financial II LLC's Limited Objection and Reservation of Rights to Emergency Motion of Debtors for Interim and Final Orders (I) Authorizing Debtors to (A) Obtain Postpetition Financing, (B) Use Cash Collateral, and (C) Grant Liens and Provide Superpriority Administrative Expense Claims, (II) Granting Adequate Protection to the Prepetition Secured Parties, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (Docket No. 149) (the "**UMB DIP Objection**"), asserting that the UMB Lenders were not adequately protected under the proposed financing arrangement.

The same day, following good faith negotiations, the Court entered the *Stipulation and Agreed Order Regarding Adequate Protection of UMB Bank, N.A. and the UMB Lenders* (Docket No. 213) (the "**UMB Adequate Protection Stipulation**"), which permitted the Debtors to continue using and selling the UMB Collateral, including cash collateral, under certain conditions.

On October 31, 2025, UMB Bank filed *UMB Bank N.A.'s (1) Emergency Motion to Enforce Stipulation and Agreed Order Regarding Adequate Protection of UMB Bank, N.A. and the UMB Lenders and (2) Second Objection and Reservation of Rights to Emergency Motion of Debtors for Interim and Final Orders (I) Authorizing Debtors to (A) Obtain Postpetition Financing, (B) Use Cash Collateral, and (C) Grant Liens and Provide Superpriority Administrative Expense Claims, (II) Granting Adequate Protection to the Prepetition Secured Parties, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (Docket No. 486) (the "**UMB Second DIP Objection**"), asserting that the Debtors had breached the UMB Adequate Protection Stipulation.

At the November 6, 2025 DIP hearing, the Debtors and the UMB Lenders announced on the record an agreement to modify certain provisions of the UMB Adequate Protection Stipulation, which allowed the Debtors to continue using and selling the UMB Collateral and which extended the UMB Adequate Protection Stipulation through January 26, 2026.

On November 21, 2025, UMB Bank filed (i) the *Motion of UMB Bank, N.A. for Entry of an Order Granting Relief from the Automatic Stay* (Docket No. 759) (the "**UMB Lift Stay Motion**") asserting, among other things, that cause existed for the Court to lift the automatic stay, and (ii) the *Motion of UMB Bank, N.A. for Entry of an Order Appointing a Chapter 11 Trustee* (Docket No. 760) (together with the UMB DIP Objection, the UMB Second DIP Objection, and the UMB Lift Stay Motion, the "**UMB**

Matters"), asserting, among other things, that the Court should appoint a chapter 11 trustee to oversee the UMB Borrowers' chapter 11 cases.

The Debtors' independent director at Viceroy, Ben Duster, and his counsel have continued to negotiate in good faith with UMB Bank regarding the UMB Matters. The parties have mutually agreed to adjourn the UMB Matters several times, which are currently set to be heard on May 8, 2026.

4. ***CarVal***

Carnaby Inventory II, LLC entered into a credit agreement (the lenders party thereto, the "**Carnaby Secured Lenders**") with the Carnaby Secured Lenders with an outstanding principal amount of $60 million as of the commencement of these chapter 11 cases. The Carnaby Secured Lenders entered into a similar credit agreement with Carnaby Inventory III, LLC with an aggregate principal amount of $100 million as of the commencement of these chapter 11 cases. Under these credit agreements and ancillary agreements, Carnaby Inventory II, LLC and Carnaby Inventory III, LLC purported to engage with certain FBG Debtors and *maquiladora* entities in Mexico to manufacture finished goods from raw material inventory. The Carnaby Secured Lenders assert first-priority liens over certain of the Debtors' inventory located at several facilities in Mexico (the "**CarVal Collateral**").

On October 1, 2025, the Debtors and the Carnaby Secured Lenders entered into the *Stipulation and Agreed Interim Order Regarding Adequate Protection Among Debtors and Carnaby Inventory II, LLC and Carnaby Inventory III, LLC* (Docket No. 230) (the "**CarVal Adequate Protection Stipulation**"), which permitted the Debtors to continue using and selling the CarVal Collateral, including cash collateral, under certain conditions.

On October 30, 2025, the Carnaby Secured Lenders filed: (i) the *Carnaby Secured Lenders' Objection to the Debtors' Motion for Post-Petition Financing and Certain First Day Relief* (Docket No. 463); (ii) the *Emergency Motion of the Carnaby Secured Lenders to Dismiss the Carnaby II and Carnaby III Chapter 11 Cases, or in the Alternative, the Appointment of a Chapter 11 Trustee or for Adequate Protection* (Docket No. 468); and (iii) the *Emergency Motion of the Carnaby Secured Lenders for Relief From the Automatic Stay for Cause, Including Lack of Adequate Protection* (Docket No. 469) (the "**Carnaby Secured Lenders' Lift Stay Motion**").

At the November 6, 2025 DIP hearing, the Debtors and the Carnaby Secured Lenders announced on the record an agreement to modify certain provisions of the CarVal Adequate Protection Stipulation, which allowed the Debtors to continue using and selling the CarVal Collateral.

On December 1, 2025, the Debtors filed the *Debtors' (I) Objection to Emergency Motion of the Carnaby Secured Lenders for Relief from the Automatic Stay for Cause, Including Lack of Adequate Protection* (Docket No. 810) (the "**CarVal Lift Stay Objection**"), and, on December 15, 2025, the Debtors filed the *Debtors' Objection to Emergency Motion of the Carnaby Secured Lenders to Dismiss the Carnaby II and Carnaby III Chapter 11 Cases, or in the Alternative, the Appointment of a Chapter 11 Trustee or for Adequate Protection* (Docket No. 950) (the "**CarVal Motion to Dismiss Objection**").

On January 16, 2026, the CarVal Adequate Protection Stipulation terminated at the Carnaby Secured Lenders' demand, and the Debtors halted all movement of the CarVal Collateral from the applicable facilities.

On January 22, 2026, the Court held a hearing on the Carnaby Secured Lenders' Lift Stay Motion to consider entry of the *Agreed Order Granting Carnaby Secured Lenders' Motion for Relief from the Automatic Stay and (II) Withdrawing Without Prejudice the Carnaby Secured Lenders' Motion to Dismiss*

(Docket No. 1651-1) (the "**CarVal Agreed Lift Stay Order**"). Onset objected to entry of the CarVal Agreed Lift Stay Order at the hearing, arguing that Onset had an interest in certain of the inventory subject to the CarVal Agreed Lift Stay Order. The Court declined to enter the CarVal Agreed Lift Stay Order with Onset's objection outstanding.

Onset, the Carnaby Secured Lenders, and the Debtors since endeavored to negotiate a consensual resolution of disputes among themselves—including the competing asserted interests of Onset and the Carnaby Secured Lenders in certain inventory located at Mexican facilities—and participated in mediation. *See* CarVal/Onset Mediation Orders (as defined below). To date, the parties have not reached an agreed form of order which resolves the CarVal Lift Stay Motion and the Onset Lift Stay Motion (as defined below). At a status conference set by the Court on April 8, 2026, the Court alerted the parties that it will set those matters for an evidentiary hearing unless the parties reach an agreement in the near-term.

5. ***Onset***

On June 28, 2022, SPV Debtor Carnaby Inventory IV, LLC ("**Carnaby IV**") entered into that certain *Master Lease Agreement No. OFI1445416* (as may be amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "**Onset Master Lease IV**") with Onset. Specific leases of property under Onset Master Lease IV are documented under separate schedules that are entered into and delivered by Carnaby IV to Onset from time to time. Obligations of Carnaby IV under Onset Master Lease IV are guaranteed by each of FBG Holdings, Viceroy, Carnaby Capital Holdings, LLC, Carnaby Capital, LLC, and Carnaby Inventory Holdings IV, LLC.

On October 24, 2023, Carnaby FA, LLC ("**Carnaby FA**") entered into that certain *Master Lease Agreement No. OFI1545465* (as may be amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "**Onset Master Lease FA**" and, together with Onset Master Lease IV, collectively, the "**Onset Master Leases**") with Onset. Specific leases of property under Onset Master Lease FA are documented under separate schedules that are entered into and delivered by Carnaby FA to Onset from time to time. Obligations of Carnaby FA under Onset Master Lease FA are guaranteed by each of Carnaby Capital Holdings, LLC, Viceroy, FBG Holdings, Carnaby Capital, LLC, Carnaby FA Holdings, LLC, Eagle Casting Holdings, LLC, and Eagle Casting, LLC.

Before the commencement of the Chapter 11 Cases, the Debtors entered into three forbearance agreements with respect to the Onset Master Leases. Under the third forbearance agreement, dated June 30, 2025, the monthly payment schedules under the Onset Master Leases were adjusted to provide for total payments to Onset of $1.9 billion.

The Debtors have asserted, among other things, that the Onset Master Leases are not true leases and are instead disguised financings as more fully described in the Onset Complaint. Under the Onset Master Leases, Onset initially lent funds to Carnaby IV and Carnaby FA to acquire inventory or property, plant, and equipment ("**PP&E**") from the FBG Debtors on Onset's behalf. Subsequently, the inventory was leased back to Carnaby IV and Carnaby FA and may ultimately be repurchased by FBG. The inventory and PP&E purportedly subject to these transactions remained at the FBG Debtors' facilities and continued to be used by the FBG Debtors in the ordinary course of business. Onset asserts that it owns certain of the Debtors' inventory and PP&E located at several facilities (the "**Onset Assets**"), or alternatively that it has a first-priority lien in the Onset Assets.

On September 30, 2025, Onset filed the *Preliminary Objection and Reservation of Rights of Onset Financial, Inc. to Debtors' DIP Financing Motion* (Docket No. 135), objecting to entry of the proposed DIP orders to the extent they would grant priming liens or otherwise impair Onset's asserted ownership interests in the Onset Assets, and demanding adequate protection for any use of those assets.

On October 1, 2025, the Court entered the *Stipulation and Agreed Interim Order Regarding Adequate Protection Among Debtors and Onset Financial, Inc.* (Docket No. 214), which permitted the Debtors to continue using and selling the Onset Assets, including cash collateral, during an interim period and under certain conditions, and providing for the provision of adequate protection as set forth in the stipulation.

On October 30, 2025, Onset filed the *Supplemental Objection of Onset Financial, Inc. to Debtors' DIP Financing Motion* (Docket No. 470).

On November 19, 2025, the Debtors and Onset entered into the *Stipulation and Agreed Order Regarding Adequate Protection Among Debtors and Onset Financial, Inc.* (Docket No. 732) permitting the Debtors to continue using and selling Onset Assets, including cash collateral, and providing for adequate protection as described therein. Subsequently, the Debtors and Onset continued having good faith discussions regarding adequate protection of Onset's interests and the potential disposition of the Onset Assets since entering into such stipulation.

On March 2, 2026, Onset filed *Onset Financial Inc.'s Emergency Motion (1) for Relief from the Automatic Stay, and (2) to Enforce the Onset AP Order* (Docket No. 2015) (the "**Onset Lift Stay Motion**"), arguing that the Debtors are improperly continuing to use certain Onset Assets, including equipment and inventory, and seeking to enforce remedies against such Onset Assets. Onset subsequently filed a *Notice of Emergency Hearing* (Docket No. 2028) setting a hearing on the Onset Lift Stay Motion for March 9, 2026 (as subsequently adjourned, the "**Onset Lift Stay Hearing**"). On March 13, 2026, the Court entered the *Agreed Mediation Order Appointing Judge Marvin Isgur as Mediator* (Docket No. 2153) (the "**First CarVal/Onset Mediation Order**"), authorizing mediation among the Debtors, Onset, the Carnaby Secured Lenders, and the Ad Hoc Group to resolve certain case resolution issues, including those raised in the Onset Lift Stay Motion until March 20, 2026. On March 20, 2026, the Court entered the *Second Agreed Mediation Order Appointing Judge Marvin Isgur as Mediator* (Docket No. 2227) (together with the First CarVal/Onset Mediation Order, the "**Carval/Onset Mediation Orders**") further extending and authorizing mediation until April 6, 2026.

On April 3, 2026, the Debtors filed the *Debtors' Response to Onset Financial Inc.'s Emergency Motion (1) for Relief from the Automatic Stay, and (2) to Enforce the Onset AP Order* (Docket No. 2306), stating that, while the Debtors disagreed with many of the assertions in the Onset Lift Stay Motion, the Debtors worked with Onset to reach agreement on a consensual form of order that would resolve much of the relief Onset sought, including issues related to Onset's alleged interests in certain equipment. However, the Debtors further noted that issues remained as to Onset's request to lift the automatic stay with respect to inventory located at CarVal Production Locations (as defined in the Onset Lift Stay Motion) in which Onset asserts an interest. On April 3, 2026, the Carnaby Secured Lenders filed the *Carnaby Secured Lenders' Objection to Onset Financial, Inc.'s Emergency Motion (1) for Relief from the Automatic Stay, and (2) to Enforce the Onset AP Order* (Docket No. 2303), objecting to Onset's asserted interest in inventory at certain Mexican facilities at which the Carnaby Secured Lenders also asserted an interest, and which the Carnaby Secured Lenders argued were subject to the Carnaby Secured Lenders' Lift Stay Motion (as defined herein) and a related agreed proposed order that the Carnaby Secured Lenders had reached with the Debtors and other key stakeholders. The Carnaby Secured Lenders specifically argued that Onset's asserted interest was invalid under Mexican law and filed a Mexican law expert report on the matter.

In advance of the Onset Lift Stay Hearing, on April 8, 2026, the Court set an emergency virtual status conference on the Onset Lift Stay Motion. At the status conference, the Court adjourned the Onset Lift Stay Hearing to a later date to be determined by the parties due to the complex legal and evidentiary issues implicated by the Onset Lift Stay Motion and the Carnaby Secured Lenders' related objection,

including issues concerning the expert report on which the Carnaby Secured Lenders sought to rely, unless all parties could reach an agreement.

M. THIRD-PARTY FACTORING

Prior to the commencement of these chapter 11 cases, the Company commonly utilized various factoring arrangements to support liquidity. The Company historically entered into two types of factoring arrangements: (i) factoring arrangements with customers and their financial institution partners and (ii) factoring arrangements with unaffiliated third parties ("**Third-Party Factoring**"). Under the Third-Party Factoring arrangements (each, a "**Factoring Facility**"), the Company would sell inventory to a customer (each, a "**Customer**") and subsequently sell the associated receivable of that inventory sale to an unaffiliated third-party factor (each, a "**Third-Party Factor**"). The Third-Party Factor would purchase the Company's receivable, at a discount to face value based on a preset or contractual formula, and remit cash to the Company. The Third-Party Factoring arrangements allowed the Company to receive cash sooner than it would have under the Customers' payment terms.

After learning of irregularities in the Company's Third-Party Factoring practices, on or about September 12, 2025, prior to the Petition Date, the Debtors discontinued all of its Third-Party Factoring and have not sold any receivables to a Third-Party Factor after that date. Since the commencement of these chapter 11 cases, the Company and its advisors have undertaken significant efforts to investigate and understand the Company's historical Third-Party Factoring practices and liabilities, which confirmed instances where the invoices provided by the Company to the Third-Party Factors were (i) fabricated (i.e., invoice information (invoice number, customer, supplier, etc.) provided by the Company to the Third-Party Factor did not match the Company's system generated invoice records), (ii) inflated (i.e., the invoice amount provided by the Company to the Third-Party Factors was significantly inflated from the invoice values in the Company's system generated records), or (iii) provided to more than one Third-Party Factor, creating the potential for more than one Third-Party Factor to assert a claim as to the same invoice(s). The Debtors worked collaboratively with the Third-Party Factors to obtain their internal data regarding what invoices were purchased and the amounts due on account of such invoices. The records provided by the Third-Party Factors represent that their factored invoices total $3.0 billion in invoice value, with those invoices carrying a loan value of $2.3 billion.

To allow for a reconciliation process of receipts collected, A&M segregated and held all collections received from Customers since the commencement of these chapter 11 cases (the "**Collected Receipts**"), other than funds received on account of any postpetition sales or related invoices, and the Released Funds (as defined in the Initial Factoring Order (as defined herein)) authorized to be released pursuant to the Initial Factoring Order. After extensive negotiations, the Debtors, their advisors, and the Third-Party Factors agreed in the Cash Management Order to provide for the establishment of a new bank account (the "**Factored Receivables Account**") to segregate and hold the Collected Receipts, which cannot be accessed or disbursed without further order from the Court. The Collected Receipts include both (i) receipts of accounts receivables that were subject to a Factoring Facility and (ii) receipts of non-factored accounts receivables (the "**Non-Factored Receivables**").

1. *Factoring Procedures Motion*

On December 1, 2025, the Debtors filed the *Motion of Debtors for Order (I) Establishing Third-Party Factoring Procedures for (A) the Review and Reconciliation of the Debtors' Receipts, and (B) the Release of Funds to the Debtors' Estates and the Third-Party Factors; (II) Authorizing Customers to Remit Receivables Without Liability; and (III) Granting Related Relief* (Docket No. 807) (the "**Factoring Procedures Motion**"), seeking entry of an order to (i) establish procedures for the Debtors to complete an orderly, efficient, and fair reconciliation of all Collected Receipts, (ii) authorize and provide comfort to

Customers to remit receivables to the Debtors without risk of double payment liability, (iii) authorize the Debtors to use Collected Receipts that were not factored following notice to, and an opportunity to be heard by, the Third-Party Factors, and (iv) grant related relief, all as further described therein. On December 12, 2025, the Debtors supplemented the Factoring Procedures Motion by filing the *Supplement to Debtors' Factoring Procedures Motion and Request for Emergency Relief* (Docket No. 931) (the "**Factoring Procedures Supplement**"), which further modified the relief requested in the Factoring Procedures Motion to (i) approve the relief requested on an emergency basis not later than December 22, 2025, and (ii) incorporate procedures in connection with the First Reconciliation Report and First Notice Period (each as defined therein).

On December 19, 2025, Evolution filed *Evolution's Objection and Reservation of Rights to Debtors' Motion for Order (I) Establishing Third-Party Factoring Procedures for (A) the Review and Reconciliation of the Debtors' Receipts, and (B) the Release of Funds to the Debtors' Estates and the Third-Party Factors; (II) Authorizing Customers to Remit Receivables Without Liability; and (III) Granting Related Relief* (Docket No. 1031) (the "**Evolution Objection**"), in which it asserted that it has a perfected, first priority lien in all the prepetition receivables of the Evolution Sellers, including receivables that those Debtors never sold (or purported to sell) to Evolution, and that such purported security interest should preclude the Bankruptcy Court from releasing funds to the Debtors from the Factored Receivables Account and require the Debtors to provide Evolution adequate protection for the use of such purported collateral.

Additional Third-Party Factors objected to the Factoring Procedures Motion, as supplemented by the Factoring Procedures Supplement, in advance of the hearing on December 22, 2025 (the "**Initial Factor Hearing**"), including Katsumi Servicing, LLC ("**Katsumi**") (Docket No. 1038), ING Belgium S.A./N.V. ("**ING**") (Docket No. 1045), Arab Banking Corporation B.S.C (Docket No. 1047), and the LAM Parties ("**LAM**") (Docket No. 1049). However, prior to the Initial Factor Hearing, the Debtors reached an agreement with all Third-Party Factors besides Evolution to (i) permit release of certain funds from the Factored Receivables Account into the Debtors' operating accounts and (ii) adjourn the hearing for approval of the Factoring Procedures Motion. The Debtors filed a revised proposed order in advance of the Initial Factor Hearing reflecting that agreement with the Third-Party Factors, besides Evolution (Docket No. 1046).

At the Initial Factor Hearing, the Bankruptcy Court heard arguments from multiple parties in interest, including Evolution. The Bankruptcy Court overruled the Evolution Objection and ruled that up to $60 million would be permitted to be released to the Debtors' operating accounts from the Factored Receivables Account. The Bankruptcy Court emphasized that further proceedings would follow to finally determine these questions of security and priority, and that the remaining funds in the Factored Receivables Account would provide adequate protection for the party that prevails on the security and priority disputes once resolved. The Bankruptcy Court reaffirmed its ruling at a status conference on December 30, 2025, explaining that all parties were receiving adequate protection, including Evolution.

On December 31, 2025, the Court entered the *Order (I) Authorizing Release of Certain Funds to the Debtors' Estates; (II) Adjourning Hearing on Remaining Portions of Factoring Procedures Motion and Supplement; and (III) Granting Related Relief* (Docket No. 1133) (the "**Initial Factoring Order**"), pursuant to which the Debtors released $55 million from the Factored Receivables Account into the Debtors' operating accounts (the "**Released Funds**"). As discussed in more detail below, the Initial Factoring Order was overturned on appeal.

On February 13, 2026, the Debtors and the Third-Party Factors filed the *Stipulation and Agreed Order Extending Deadline to Assert Claim to Any Invoice Relating to the Released Funds* (Docket No. 1933), which provides that the deadline in the Initial Factoring Order for the Third-Party Factors to assert a claim to any invoice relating to the Released Funds will be extended through and until April 2,

2026. The Court entered the stipulation and agreed order on February 17, 2026 (Docket No. 1938). On April 3, 2026, the Debtors and certain Third-Party Factors filed the *Amended Stipulation and Agreed Order Further Extending Deadline to Assert Claim to Any Invoice Relating to Released Funds* (Docket No. 2302), which further extended the deadline for certain Third-Party Factors to assert a claim to any invoice relating to the Released Funds until further order of the Court issued on at least 14 days' notice. The Court entered the amended stipulation and agreed order on April 6, 2026 (Docket No. 2322).

Since entry of the Initial Factoring Order, the Debtors have sought the release of additional funds from the Factored Receivables Account that the Debtors assert are Non-Factored Receivables. However, on February 16, 2026, the Debtors adjourned a hearing to consider relief sought in connection with the Factoring Procedures Motion and Factoring Procedures Supplement, including the release of additional funds from the Factored Receivables Account, to a date and time to be determined (Docket No. 1937).

2. ***Evolution Appeal***

On January 5, 2026, Evolution appealed the Initial Factoring Order to the District Court (Civil Action No. 4:26-cv-00073) (the "**Evolution Appeal**"). Evolution moved to expedite its appeal (Evolution Appeal, Docket No. 2), which the Debtors contested (Evolution Appeal, Docket No. 12). After a hearing on Evolution's motion to expedite held on January 8, 2026, the District Court entered a scheduling order on January 9, 2026, which granted in part the motion to expedite and set a briefing schedule that would allow briefing to be completed and oral argument to be held before the end of January 2026 (Evolution Appeal, Docket No. 14).

On January 16, 2026, Evolution filed its initial brief, which argued that the Initial Factoring Order violated its right of adequate protection (Evolution Appeal, Docket No. 16). Following further briefing by both parties, the District Court held oral argument on January 29, 2026. On January 31, 2026, the District Court entered its *Memorandum Opinion and Order*, reversing the Initial Factoring Order and remanding the case to the Bankruptcy Court for further proceedings, but without any instructions to segregate $60.5 million as adequate protection for Evolution's claim (Evolution Appeal, Docket No. 28). The District Court ruled, among other things, that new facts have created a genuine factual dispute material to determining whether Evolution is currently adequately protected and that the parties may, on remand, litigate whether Evolution is currently adequately protected.

3. ***Evolution's Emergency Motion for Adequate Protection***

On February 9, 2026, following the reversal of the Initial Factoring Order, Evolution filed *Evolution's Emergency Motion for Adequate Protection* (Docket No. 1892) (the "**Evolution Adequate Protection Motion**"), which requested that the Bankruptcy Court order the Debtors to segregate $60.5 million of unencumbered cash to provide Evolution with adequate protection for its claim, along with cash payment of interest and attorneys' fees and expenses, and requested said relief not later than February 13, 2026.

On February 11, 2026, the Debtors filed the *Debtors' Preliminary Objection to Evolution's Emergency Motion for Adequate Protection* (Docket No. 1904) (the "**Objection to Evolution Adequate Protection Motion**"), which argued, among other things, that there were no exigent circumstances existing that would require the Evolution Adequate Protection Motion to be heard before the next already scheduled hearing before the Bankruptcy Court on February 19, 2026. Furthermore, the Debtors argued that, assuming that Evolution's first priority lien in all the prepetition receivables of the Evolution Sellers is valid, Evolution was adequately protected by funds in the Factored Receivable Account that relate to the Evolution Sellers that cannot be released without further order from the Court and the existence of outstanding prepetition accounts receivable that relate to the Evolution Sellers that would be held in the

Factored Receivables Account once collected. The Objection to Evolution Adequate Protection Motion was joined by BofA (Docket No. 1905) and the Ad Hoc Group (Docket No. 1907).

Evolution filed the *Reply in Support of Evolution's Emergency Motion for Adequate Protection* (Docket No. 2017), which argued, among other things, that the Debtors failed to meet their burden establishing that Evolution is adequately protected. Multiple Third-Party Factors filed objections to the Evolution Adequate Protection Motion, including LAM (Docket No. 2051), Katsumi (Docket No. 2056), Raistone (Docket No. 2065), and ING (Docket No. 2067).

On March 9, 2026, the Court held an evidentiary hearing on the Evolution Adequate Protection Motion and subsequently took the matter under advisement. On March 12, 2026, the Court granted the Evolution Adequate Protection Motion and ordered the Debtors to deposit $25.7 million to the Factored Receivables Account on or before March 19, 2026 (Docket No. 2127). On March 19, 2026, the Debtors deposited $25.7 million in the Factored Receivables Account.

4. ***Evolution Adversary Proceeding II***

On January 9, 2026, Evolution filed an adversary complaint against Debtors FBG, Strongarm, LLC, Carter Fuel Systems, LLC, Trico Products Corporation, ASC Industries, Inc., Fram Group Operations LLC, Brake Parts Inc LLC, and Champion Laboratories, Inc. (each, an "**Evolution Seller**" and, collectively, the "**Evolution Sellers**"), BofA, WSFS, Sagard Holdings Manager (US) LLC ("**Sagard**"), and GLAS (together with the Evolution Sellers, the "**Evolution Adv. Proc. II Defendants**"), seeking a declaratory judgment as to whether Evolution has a perfected, first-priority security interest in the Evolution Sellers' receivables under that certain *Master Receivables Purchase Agreement* dated March 28, 2023 (Adv. Pro. 26-03006) ("**Evolution Adv. Proc. II**").

The deadline for the Evolution Adv. Proc. II Defendants to file a responsive pleading in the Evolution Adv. Proc. II was initially February 13, 2026. On February 11, 2026, the Evolution Adv. Proc. II Defendants jointly filed *Defendants' Unopposed / Agreed Motion for Extension of Deadline* (Adv. Pro. 26-03006, Docket No. 18), representing that Evolution agreed to the Evolution Adv. Proc. II Defendants' requested extension of the responsive pleading deadline until March 6, 2026, which motion remains pending.

On February 19, 2026, Evolution and Sagard filed a joint stipulation of voluntary dismissal of Evolution's claim against Sagard (Adv. Pro. 26-03006, Docket No. 24), which the Bankruptcy Court entered on February 20, 2026 (Adv. Docket No. 25).

On March 4, 2026, Evolution and the other Third-Party Factors (as defined herein) filed the *Stipulation and Agreed Order Regarding the Factoring Parties' Reservation of Rights* (Adv. Pro. 26-03006, Docket No. 27) and, on March 8, 2026, filed the *Amended Stipulation and Agreed Order Regarding the Factoring Parties' Reservation of Rights* (Adv. Pro. 26-03006, Docket No. 37) (the "**Factor RoR Stipulation**"). The Factor RoR Stipulation reserves rights of the other Third-Party Factors with respect to the Evolution Adv. Proc. II, including the right to intervene, and provides that the Bankruptcy Court should exclude from the scope of any order it may enter in the Evolution Adv. Proc. II its applicability to the other Third-Party Factors. On March 11, 2026, the Bankruptcy Court entered the Factor ROR Stipulation. (Adv. Pro. 26-03006, Docket No. 41).

On March 6, 2026, the Debtors filed the *Debtors' Memorandum of Law in Support of Motion to Dismiss Evolution's Adversary Complaint* (Adv. Pro. 26-03006, Docket No. 32) (the "**Motion to Dismiss Evolution Adv. Proc. II**"), which argued that Evolution's complaint should be dismissed with prejudice because even taking the facts as alleged in the complaint at face value, Evolution's allegations fail as a

matter of law because (i) Evolution's alleged liens in all of the Evolution Sellers' receivables are not perfected, (ii) the relevant prepetition credit agreements (and the relevant security documents related thereto) did not provide a carve-out giving Evolution a first priority lien ahead of the Company's prepetition secured lenders, and (iii) Evolution failed to establish that it is a secured creditor under section 506(a) of the Bankruptcy Code. Additionally, defendants WSFS and GLAS filed the *Wilmington Savings Fund Society, FSB and GLAS USA LLC's Motion to Dismiss with Prejudice and Joinder to Debtors' Motion to Dismiss Evolution's Adversary Complaint* (Adv. Pro. 26-03006, Docket No. 34) and defendant BofA filed the *Bank of America, N.A.'s Motion to Dismiss with Prejudice and Joinder to Debtors' Motion to Dismiss Evolution's Adversary Complaint* (Adv. Pro. 26-03006, Docket No. 36) (collectively, the "**Defendants' Motions to Dismiss Evolution Adv. Proc. II")**.

On March 27, 2026, the Bankruptcy Court entered the *Stipulation and Agreed Order (I) Converting Motions to Dismiss to Motions for Summary Judgment, (II) Setting Briefing Schedule for Cross-Motions for Summary Judgment* (Adv. Pro. 26-03006, Docket No. 45), which (i) converted the Defendants' Motions to Dismiss Evolution Adv. Proc. II to motions for summary judgment pursuant to Federal Rule of Civil Procedure 12(d) and Bankruptcy Rule 7012, (ii) set a briefing schedule for Evolution's response and the Evolution Adv. Proc. II Defendants' reply briefs, and (iii) set a hearing on cross-motions for summary judgment before the Court on April 20, 2026 (the "**Summary Judgment Hearing**").

On April 8, 2026, Evolution filed the *Evolution's Opposition to Defendants' Motions for Summary Judgment and Cross-Motion for Summary Judgment* (Adv. Pro. 26-03006, Docket No. 47). On April 15, 2026, the Evolution Adv. Proc. II Defendants filed the *Defendants' Reply in Support of Converted Motions for Summary Judgment* (Adv. Pro. 26-03006 Docket No. 48). On April 20, 2026, the Summary Judgment Hearing was held before the Bankruptcy Court and subsequently the Bankruptcy Court took the matter under advisement.

N. REST-OF-WORLD / NON-DEBTOR SUBSIDIARIES

As of the commencement of the chapter 11 cases, the Debtors directly or indirectly owned equity interests in approximately 200 non-debtor entities incorporated across 24 non-U.S. jurisdictions (collectively, the "**Non-Debtor Subsidiaries**"). These Non-Debtor Subsidiaries comprised both: (i) entities providing production, distribution, or sales support to the North American Debtor business units; and (ii) the Company's rest-of-world ("**Rest of World**" or "**RoW**") Non-Debtor Subsidiaries (as defined below) business units operating outside the U.S. Given the complex interdependencies between the Debtor entities and the Non-Debtor Subsidiaries—including shared management, intercompany funding arrangements, integrated supply chains, and centralized back-office functions—the Debtors, through their advisors, undertook substantial work to preserve the value of the Non-Debtor Subsidiaries as going concerns for the benefit of the Debtors' estates as equity holders while navigating the challenges arising from the chapter 11 cases.

The Debtor entities operated over 12 different North American business units, each relying on production, distribution, or sales facilities run or owned by Non-Debtor Subsidiaries across 12 jurisdictions, including Mexico, Canada, China, Hong Kong, Japan, India, Thailand, Luxembourg, the Netherlands, Italy, Switzerland, and the United Kingdom.

Additionally, the Debtor entities directly or indirectly owned equity in nine separate Rest of World business units, comprised of Non-Debtor Subsidiaries incorporated across 22 jurisdictions, including: (a) Ultinon (funded by Santander / Deva Capital Investment Company S.L.U. ("**Deva Capital**") (Santander's private credit arm), and later the Ad Hoc Group); (b) Horizon Europe and FMP / Trico Australia (funded by UBS); (c) Trico Romania (the central back-office service center for FBG, with

approximately two-thirds of its work performed for Debtor entities); (d) Trico Europe, Trico South America, and Airtex Europe; and (e) CoFo and Plastics Germany.

1. *Stabilization, Contingency Planning, and Funding Arrangements*

Following the commencement of these chapter 11 cases, the Debtors, through their advisors, focused on several critical areas designed to stabilize operations for the Non-Debtor Subsidiaries and preserve value for the Debtor estates. To do so, the Debtors' advisors engaged and instructed local counsel across all 24 non-U.S. jurisdictions to assist with: (i) diligence for over 200 Non-Debtor Subsidiaries; (ii) corporate governance matters, including responding to multiple director resignations across the group; (iii) critical contingency planning; (iv) group-wide board updates and meetings; and (v) directors' duties advice, including analysis of any local law requirements to file for insolvency. In addition, the Debtors' advisors also conducted diligence on various RoW financing arrangements, as described in greater detail below. When all key RoW management and personnel ultimately stepped away from the RoW business units, the Debtors and their advisors worked to replace RoW management and implement appropriate safeguards and procedures to ensure financial and operational oversight across all Non-Debtor Subsidiaries.

Further, during the chapter 11 cases, multiple sources of funding for the RoW business units were secured, including (i) Santander / Deva Capital (for Ultinon); (ii) UBS (for Horizon Europe and FMP / Trico Australia); (iii) Crédit Agricole (factoring arrangements for Ultinon and Horizon Europe); (iv) the Ad Hoc Group (for Ultinon, Trico Europe, CoFo, and Plastics Germany); and (v) the OEMs (for Trico Europe). Where incremental funding was not forthcoming, or if it was established that long-term operations were not viable (including in light of local law directors' duties), it has been necessary to plan for, and implement, wind-downs—including via local insolvency proceedings—for various Non-Debtor Subsidiaries, as further set out below.

2. *Ultinon*

Ultinon represented one of the most significant RoW business units, and was the only lighting division within the Company. Having been purchased from Lumileds in 2024, Ultinon employed approximately 1,700 employees across manufacturing sites in China, Germany, and Poland, and sales offices in approximately 16 jurisdictions. Ultinon was funded initially by Santander / Deva Capital and was subsequently jointly funded by the Ad Hoc Group and Deva Capital on a 75%–25% basis.

a. *Forbearance Negotiations and Funding*

The Debtors, through their advisors, engaged in ongoing discussions with Santander / Deva Capital regarding forbearance conditions and extensions to stabilize the business and preserve the value of this business for the benefit of the Debtors' estates. During the course of October and November 2025, Ultinon had extensive discussions with Santander, Deva Capital, and the Ad Hoc Group, and incremental funding was provided to Ultinon through three amendment and increase agreements between October and November 2025.

On October 27, 2025, Deva Capital provided approximately €5 million of emergency funding to bridge Ultinon's immediate liquidity needs while discussions regarding options to address the group's long-term liquidity needs continued. On November 25, 2025, the Ad Hoc Group agreed to purchase 75% of Deva Capital's loans under the existing original bridge facility, and Deva Capital and the Ad Hoc Group jointly committed to provide a $60 million super senior facility (rolling up the €5 million already advanced by Deva Capital) on a 25%–75% basis (the "**New Super Senior Facility**" and, together with the original bridge facility, the "**Loan Facilities**"). As of the date hereof, approximately $40 million of the New Super Senior Facility has been drawn.

In line with previous projections, management, with assistance from A&M, identified an incremental funding need of $20 million in February 2026, necessitating a draw of the remaining $20 million under the New Super Senior Facility provided by Deva Capital and the Ad Hoc Group. Subsequently, the Ad Hoc Group, which initially enabled Ultinon to maintain its ongoing business operations, determined that they would no longer provide incremental funding to the Company, which also meant no more proceeds from the Ad Hoc Group would be made available to Ultinon to maintain its ongoing business operations.

b. *Local Insolvency Filings and Subsequent Chapter 11 Filings of Dutch Holding Companies*

Ultinon was included in the perimeter of the Debtors' broader sales process. Due to the lack of interest in Ultinon, and in light of the deteriorating cash and operational position of Ultinon, the Debtors' financial advisors launched an additional accelerated sale process targeting European-based investment funds and strategic buyers on January 23, 2026. The Company's advisors reached out to 40 parties in total, 13 of which entered into non-disclosure agreements and eight of which attended a management meeting. While there was interest from various parties, no formal bids were received by the bid deadline and all buyers ended up withdrawing from the process for a sale of the group as a going concern.

Having received no bids in the Debtors' broader sale process and being unable to access additional funding from its existing lenders or third-parties, on February 4, 2026, the directors of each of the Ultinon entities other than the three Dutch holding companies resolved to file for local insolvency proceedings. On February 6, 2026, Ultinon Motion Germany GmbH filed for local German insolvency proceedings. The majority of the other entities in the Ultinon group—including the companies that own production facilities in Poland and China—have subsequently filed for local insolvency proceedings. Any companies that have not yet filed for local insolvency proceedings are expected to do so in the coming weeks and months in accordance with local law requirements.

As a condition to entry into the Loan Facilities, Santander / Deva Capital required an independent conflict director to be appointed to the three Dutch holding companies of Ultinon (Ultinon Motion Holdings B.V., Liberty I B.V., and Liberty II B.V.) and a broader review of governance across the Ultinon entities. On March 26, 2026, these entities each commenced a voluntary case under chapter 11 of the Bankruptcy Code. *See In re Ultinon Motion Holdings B.V., et al.*, Case No. 26-90428 (CML) (Bankr. S.D. Tex.).

3. ***Horizon and FMP / Trico Australia***

The Horizon business unit specializes in the production of towbars for the automotive industry, directly supplying primary OEM customers. The non-Debtor Horizon business operations are split between (i) foreign entities that are linked to the Horizon North America business, including two Mexican production plants specializing in electricals and metals, a warehouse including a testing facility in Mexico, a Canadian distribution center, and an Indian engineering service center; and (ii) the Horizon Europe business, which has four production factories located in Germany, France, and Romania. There is also a shared Indian forgings plant. The Horizon North America silo employs approximately 1,000 employees, and the Horizon Europe silo employs approximately 1,100 employees.

The FMP/Trico Australia business unit was acquired in 2024 and produces and sells Bendix brakes along with Trico branded wipers to the Australian market. Trico Australia has a supply arrangement for Trico wipers from certain Trico subsidiaries based in Mexico. The FMP/Trico Australia business employs approximately 450 employees. The Horizon Europe business and FMP/Trico Australia business are both funded by UBS.

The Debtors, through their advisors, engaged in ongoing discussions with UBS regarding forbearance conditions and extensions to stabilize the business and preserve the value of this business for the benefit of the Debtors' estates. Funding was provided through three amendment and increase agreements entered into between October and November 2025. As a condition to the forbearance and further funding, UBS required a new governance framework to be implemented with independent directors appointed to the Horizon Europe and FMP/Trico Australia business units. This structure was implemented on November 25, 2025 for Horizon Europe, and on January 19, 2026 for FMP/Trico Australia.

On February 13, 2026, the independent director for Horizon Europe notified the Debtors that the Horizon Europe business had been legally separated from the Company. The Debtors understand that the non-Debtor Horizon Europe holding company, HZ Lux Holdings S.à r.l., has transferred its shares in HZ Lux S.à r.l. to a newly incorporated Luxembourg holding company that is owned by a Dutch foundation (*stichting administratiekantoor*) which sits outside the Company. On or around March 6, 2026, following satisfaction of certain conditions precedent, the shares in certain foreign Horizon North America entities and one of the Debtors, Horizon Europe Finance, LLC, were transferred along with Horizon Europe to this new holding structure.

The Horizon North America business was included in the perimeter of the Debtors' broader sales process, but at the request of UBS, the Horizon Europe business and FMP/Trico Australia business were excluded. As part of the Debtors' broader sale process, in March 2026, the Company and its advisors began negotiating directly with a bidder regarding the potential sale of certain entities and assets of the Horizon North America business unit. Negotiations with the bidder and the drafting of diligence materials and transaction documents continue to progress.

4. ***Other RoW Business Units***

a. *Trico Romania Back-Office Service Center*

Trico RO S.R.L. ("**Trico Romania**") employs approximately 200 employees who provide back-office services for the Company, of which approximately two-thirds of services are provided to the Debtor entities. It was determined that these services were critical to the continuation of the business of the Debtors and required protection from third party and intercompany claims for outstanding liabilities. To protect these services, the Debtors undertook various strategic initiatives to preserve and protect the Romanian operations, including planning for local debtor-in-possession insolvency proceedings in Romania to preserve continuity of service. This culminated in Trico Romania filing for local debtor-in-possession insolvency proceedings on December 18, 2025. Trico Romania continues to operate within these local insolvency proceedings.

b. *Trico Europe*

Trico Europe and Trico South America are Tier 1 suppliers of high-performance windscreen wiper systems and components for passenger cars and commercial vehicles, directly supplying OEMs and the aftermarket segment with replacement parts in the European and South American markets. Trico Europe employs approximately 300 employees across manufacturing sites and sales offices in Belgium, Italy, Romania, and the U.K., and Trico South America employs approximately 30 employees across manufacturing sites and sales offices in Argentina and Brazil. Airtex, a business line which produced water pumps for the European and Asian markets and had ceased operations prior to the commencement of the chapter 11 cases, employs certain employees in Europe who support aftermarket sales for the Ultinon and Trico Europe businesses. The Company continues to explore its strategic options in respect of these business units.

c. *CoFo and Plastics Germany*

The CoFo Group, comprised of Non-Debtor Subsidiaries CoFo PWK GmbH, CoFo Räuchle GmbH and CoFo IBEX GmbH, is a Tier 2 supplier specializing in the manufacture, distribution, and trade of metal goods. As of October 1, 2025, the CoFo Group employed approximately 500 employees across its operations. The Plastics Group, comprised of Non-Debtor Subsidiaries Diepersdorf Plastic Manufacturing GmbH, Linden Plastic Manufacturing GmbH, SMK Plastic Manufacturing GmbH, and dormant Plastics Germany 1 GmbH, specializes in producing high-quality plastic components for vehicles and interiors, supplying products to leading automobile manufacturers such as the Volkswagen Group and Mercedes-Benz. As of October 1, 2025, the Plastics Group employed approximately 1,000 employees across its operations. The CoFo Group and Plastics Group operate independently within the Company.

Due to ongoing market pressures and the commencement of the chapter 11 cases, the Debtors' advisors and respective directors determined that liquidity in both the CoFo and Plastics Groups had significantly deteriorated, rendering continued long-term operations unviable, particularly given local law mandatory insolvency filing requirements. Consequently, the Debtors determined that these entities were insolvent and the entities in the Plastics Germany Group and the CoFo Group filed for local insolvency proceedings on November 3, 2025 and November 21, 2025, respectively.

5. ***International Non-Debtor North American-Linked Businesses***

In addition to the RoW business units, the Debtors focused on several critical areas designed to initially stabilize operations for the international Non-Debtor Subsidiaries which support the North American businesses to preserve value for the Debtor estates.

Subsequently, in connection with the wind-down of certain Debtor operations in the U.S. starting in January 2026, certain affiliated Non-Debtor Subsidiaries in parallel commenced the shutdown of operations and entry into insolvency proceedings across non-U.S. jurisdictions (as applicable), including in Mexico, China, and India.

Further, the Debtors are facilitating the sale and/or orderly wind-down of the various other business units in tandem with their associated Debtor entities and relevant North American business. Longkou Haimeng Machinery Co., Ltd., a Chinese entity which supported the North American Brakes business unit, entered local insolvency proceedings on March 2, 2026.

O. MEDIATION

On January 29, 2026, the Debtors filed the *Agreed Mediation Order Appointing Judge Marvin Isgur as Mediator* (Docket No. 1800) (the "**Agreed Mediation Order**"), seeking approval to participate in mediation (the "**Mediation**") with the Honorable Judge Marvin Isgur, among the Debtors, the SPV Independent Manager, the Ad Hoc Group, the ABL Secured Parties, and the Creditors' Committee. Onset and Silver Point Capital, L.P. later agreed to participate in the Mediation and be bound by the terms of the Agreed Mediation Order. The scope of the Mediation included, among other things: purported security and ownership interests in assets of the Debtors, inter-Debtor and other intercompany disputes, funding for the Chapter 11 Cases, and resolution of the Chapter 11 Cases. The Court entered the Agreed Mediation Order on January 29, 2026 (Docket No. 1822).

Following multiple extensions of the term of the Mediation, on February 27, 2026, the Court entered the *Second Agreed Mediation Order Appointing Judge Marvin Isgur as Mediator* (Docket No. 2005) (the "**Second Agreed Mediation Order**"), further extending the term of the Mediation through and including March 13, 2026 and narrowing the scope of the Mediation to issues relating to a resolution

of the chapter 11 cases (the "**Case Resolution Issues**"). On March 18, 2026, the Court entered the *Third Agreed Mediation Order Appointing Judge Marvin Isgur as Mediator* (Docket No. 2186), further extending the term of the Mediation with respect to the Case Resolution Issues through and including March 27, 2026.

Despite extensive progress made in Mediation, the Mediation formally expired on March 27, 2026 without a comprehensive settlement on the Case Resolution Issues. Following the expiration of the Mediation, however, the Debtors, the Ad Hoc Group, and the Creditors' Committee continued to discuss the Case Resolution Issues and were eventually able to reach an agreement in principle on the Global Settlement. As discussed, the Global Settlement forms the foundation of the Plan, and is described in more detail below.

P. GLOBAL SETTLEMENT

The Plan incorporates the Global Settlement by and among the Debtors, the Ad Hoc Group, and the Creditors' Committee. The compromises and settlements included in the Global Settlement are each (i) integrated with and dependent on all other compromises and settlements contemplated in connection with the Plan and (ii) necessary and integral to the Plan. Entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Global Settlement under sections 105(a), 361, 363, 364, 1123(b)(3)(A), and 1123(b)(6) of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that the Global Settlement is fair, equitable, reasonable and in the best interests of the Debtors' Estates. The principal terms of the Global Settlement, as set forth in Section 5.2 of the Plan, are as follows:

1. *Enforcement of Remedies*

The DIP Secured Parties have superpriority liens on (i) all prepetition and postpetition property of the FBG Debtors, including the DIP Loan Parties and Parent Guarantors, and all proceeds thereof, including all Estate Claims, (ii) all Additional Unencumbered Property, and (iii) all Prepetition Collateral (other than ABL Priority Collateral, on which the liens of the DIP Secured Parties, the First Lien Secured Parties, and the Second Lien Term Loan Secured Parties are junior to those of the ABL Secured Parties). The DIP Secured Parties have alleged that various events of default have occurred and are continuing under the DIP Documents. The DIP Loan Parties do not have sufficient funds to indefeasibly pay the DIP Obligations in full in Cash. The Global Settlement incorporates a consensual arrangement to (i) permit the DIP Secured Parties to accelerate the DIP Obligations and enforce remedies against the FBG Debtors but without the costs, expenses, and risks of attendant litigation relating thereto and (ii) provide recoveries to junior creditors of the FBG Debtors which will allow such creditors to participate in recovery prior to the satisfaction in full of the DIP A Claims and Roll-Up Claims.

2. *Estate Claims Credit Bid Transaction*

As set forth above, the Debtors are conducting a marketing and sale process for the Litigation Trust Assets, including the Estate Claims. In the event the DIP Secured Parties are determined to be the Successful Bidder, pursuant to the Global Settlement, on the Effective Date, the FBG Debtors will sell, assign, convey, transfer, and deliver the Litigation Trust Assets, pursuant to sections 105, 363(b) and (f), and 1123(a)(5)(D) of the Bankruptcy Code and the Estate Claims Credit Bid APA, to the Plan Debtor free and clear of all Liens, Claims, encumbrances and Interests (legal, beneficial or otherwise). The aggregate consideration to be paid by the DIP Secured Parties for the Litigation Trust Assets will be the Estate Claims Credit Bid. Immediately following such transfer, the Plan Debtor will assign, transfer, and deliver the Litigation Trust Assets to the Litigation Trust free and clear of all Liens, Claims, encumbrances and Interests (legal, beneficial, or otherwise).

3. ***DIP Collateral Credit Bid Transaction***

Pursuant to the Global Settlement, on the Effective Date, the FBG Debtors will sell, assign, convey, transfer, and deliver the DIP Collateral Trust Assets, pursuant to sections 105, 363(b) and (f), and 1123(a)(5)(D) of the Bankruptcy Code, to the Plan Debtor free and clear of all Liens, Claims, encumbrances and Interests (legal, beneficial or otherwise). The aggregate consideration to be paid by the DIP Secured Parties for the DIP Collateral Assets will be the DIP Collateral Credit Bid. Immediately following such transfer, the Plan Debtor will assign, transfer, and deliver the DIP Collateral Trust Assets to the DIP Collateral Trust free and clear of all Liens, Claims, encumbrances and Interests (legal, beneficial, or otherwise).

4. ***Expiration of Challenge Rights***

The Challenge Period will be deemed to expire against all parties in the Chapter 11 Cases (unless already expired pursuant to the terms of the DIP Order) on the Effective Date.

5. ***Litigation Trust Funding Contributions***

Pursuant to the Global Settlement, the Litigation Trust Funding Contributors will provide the Litigation Trust Funding Commitments and Litigation Trust Funding Contributions to the Litigation Trust pursuant to the Litigation Trust Agreement, and any Litigation Trust Funding Agreements, which commitments and contributions will be available to pay litigation costs of the Litigation Trust, costs of administration of the Litigation Trust, and costs of monetizing the Litigation Trust Assets. The Litigation Trust Funding Commitments and Litigation Trust Funding Contributions are necessary and incidental to the liquidating purpose of the Litigation Trust.

6. ***Electing Creditors***

All holders of Administrative Expense Claims, Other Secured Claims, Priority Tax Claims, Other Priority Claims, and General Unsecured Claims against the FBG Debtors (other than the Plan Debtor) will be given the option, in connection with solicitation of this Disclosure Statement, to receive Class 3(b) Litigation Trust Interests entitling them to receive distributions from the Litigation Trust in accordance with the Litigation Trust Agreement. The distributions allocable to Class 3(b) Litigation Trust Interests (i.e., Electing Creditors) from the Litigation Trust may be held in trust (in whole or in part) by the GUC Ombudsman pending a claims allowance process for the Electing Creditor Claims to be determined by the GUC Ombudsman in consultation with the Litigation Trustee. Electing Creditor Claims that are determined to be Allowed following such claim allowance process will receive their Pro Rata Share of the Class 3(b) Litigation Trust Interests. If an Eligible Creditor does not timely opt out of being an Electing Creditor on the Global Settlement Election Form, then such creditor shall retain all of its rights and claims against the Estates and the Debtors against which such party currently asserts a right or claim. The Litigation Trustee is authorized to determine whether any Electing Creditor is an Ineligible Creditor prior to making any distributions to holders of Class 3 Litigation Trust Interests; *provided* that an Ineligible Creditor may seek relief from the Bankruptcy Court opposing such a determination. For the avoidance of doubt, Ineligible Creditors will not be entitled to share in distributions from the Litigation Trust.

7. ***Electing Creditor Waiver***

In exchange for becoming an Electing Creditor, each Electing Creditor will be deemed to (i) have waived any objections to the Plan, Confirmation Order, and any related settlements and relief sought in furtherance thereof, including the Global Settlement, and (ii) be a Releasing Party and grant the releases contained in Section 14.5(b) of the Plan. In addition, if an Electing Creditor holds a Claim against an FBG

Debtor for which one or more other FBG Debtors have joint and several liability, such Electing Creditor agrees it shall have only a single Electing Creditor Claim for purposes of receiving Class 3(b) Litigation Trust Interests and receiving distributions from the Litigation Trust.

8. ***GUC Ombudsman***

The GUC Ombudsman will serve as the holder of record of the Class 3(b) Litigation Trust Interests (and, in such capacity will provide the Litigation Trustee with a properly completed IRS Form W-9) and will not have any duties until distributions of all proceeds from the monetization of the Litigation Trust Assets are anticipated to be paid to holders of Class 3 Litigation Trust Interests. In connection with the aforementioned distributions, the GUC Ombudsman shall be responsible solely for reconciling Electing Creditor Claims and making distributions to holders of Class 3(b) Litigation Trust Interests in accordance with the Plan, including all federal, state, and local income tax reporting obligations associated therewith.

9. ***Conversion of Remaining Debtors' Chapter 11 Cases***

The Confirmation Order will provide that, following the Effective Date and the transfer of the Litigation Trust Assets to the Litigation Trust, the DIP Collateral Assets to the DIP Trust, and the ABL Collateral Assets to the ABL Trust, each of the Debtors' Chapter 11 Cases (other than the Plan Debtor), to the extent not previously converted, will be converted to a case under chapter 7 of the Bankruptcy Code.

10. ***Survival of Claims***

The DIP A Claims (other than the DIP A Claims subject to the Estate Claims Credit Bid and DIP Collateral Credit Bid), Roll-Up Claims, First Lien Claims, Second Lien Claims, ABL Claims, Electing Creditor Claims, and Claims of non-Electing Creditors against the Estates of the FBG Debtors (other than the Plan Debtor) are preserved and may continue to be asserted against the chapter 7 estates of the applicable FBG Debtor and will not be reduced by the amount of any Trust distributions made on or after the Effective Date.

V. CERTAIN RISK FACTORS INVOLVING PLAN

Before voting to accept or reject the Plan, holders of Claims and Interests should read and carefully consider the risk factors set forth below, in addition to the information set forth in this Disclosure Statement, together with the attachments, exhibits, or documents incorporated by reference herein.

THIS SECTION PROVIDES INFORMATION REGARDING POTENTIAL RISKS IN CONNECTION WITH THE PLAN AND ITS IMPLEMENTATION, INCLUDING, BUT NOT LIMITED TO, THE RISK FACTORS SET FORTH BELOW. THE FACTORS BELOW SHOULD NOT BE REGARDED AS THE ONLY RISKS ASSOCIATED WITH THE PLAN OR ITS IMPLEMENTATION. NEW FACTORS, RISKS, AND UNCERTAINTIES EMERGE FROM TIME TO TIME AND IT IS NOT POSSIBLE TO PREDICT ALL SUCH FACTORS, RISKS, AND UNCERTAINTIES.

A. CERTAIN BANKRUPTCY LAW CONSIDERATIONS

1. ***Risk of Non-Confirmation of Plan***

Although the Plan Debtor believes that the Plan will satisfy all requirements necessary for confirmation by the Bankruptcy Court in accordance with the Bankruptcy Code, there can be no assurance that the Bankruptcy Court will reach the same conclusion, that modifications to the Plan will not be required for confirmation, or that such modifications would not necessitate re-solicitation of votes. Any such

modifications could result in less favorable treatment of any non-accepting Class, as well as any Class junior to such non-accepting Class, than the treatment currently provided in the Plan.

Moreover, the Plan Debtor can make no assurances that it will receive the requisite votes for acceptance to confirm the Plan. Even if all holders of Claims and Interests entitled to vote in favor of the Plan vote in favor of the Plan or the requirements for "cramdown" are met with respect to any Class that rejects the Plan, the Bankruptcy Court could decline to confirm the Plan if it finds that any of the statutory requirements for confirmation (including under section 1129 of the Bankruptcy Code) are not met. Confirmation of the Plan is also subject to certain conditions as described in Article XIII of the Plan. If the Plan is not confirmed, it is unclear what distributions holders of Claims or Interests ultimately would receive, if anything, with respect to their Claims or Interests in a subsequent plan or otherwise through the bankruptcy proceedings.

2. ***Non-Consensual Confirmation***

In the event any Impaired Class of Claims or Interests entitled to vote on the Plan does not accept the Plan, the Bankruptcy Court may nevertheless confirm the Plan at the proponent's request if at least one Impaired Class has accepted the Plan (with such acceptance being determined without including the vote of any "insider" in such Class), and as to each Impaired Class that has not accepted the Plan, the Bankruptcy Court determines that the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting Impaired Classes. Should any Class vote to reject the Plan, these requirements must be satisfied with respect to such rejecting Class. The Plan Debtor believes that the Plan satisfies these requirements.

3. ***Risk of Non-Occurrence of Effective Date***

Although the Plan Debtor believes that the Effective Date will occur, there can be no assurance as to the timing of the Effective Date. If the conditions precedent to the Effective Date set forth in the Plan have not occurred or have not been waived as set forth in Article XIII of the Plan, then all distributions contemplated under the Plan to occur on the Effective Date would not be made and the obligations with respect to the applicable Claims and Interests would remain unchanged.

4. ***Risks Related to Possible Objections to Plan***

There is a risk that certain parties could oppose and object to either the entirety of the Plan or specific provisions of the Plan. Although the Plan Debtor believes that the Plan complies with all relevant Bankruptcy Code provisions, there can be no guarantee that a party in interest will not file an objection to the Plan or that the Bankruptcy Court will not sustain such an objection.

5. ***Releases, Injunctions, and Exculpation Provisions May Not be Approved***

Article XIV of the Plan provides for certain releases, injunctions, and exculpations, for Claims and Causes of Action that may otherwise be asserted against the Plan Debtor, the Exculpated Parties, or the Released Parties, as applicable. Nothing contained in the terms of the Plan, nor the release of any claims pursuant thereto, is evidence of the merit, or lack of merit, of the Claims or Causes of Action released by the Plan, nor is it evidence, indicative of the merits, or a waiver of any Claims against any non-Released Party. The releases, injunctions, and exculpations provided in the Plan are subject to objection by parties in interest and may not be approved. If the releases and exculpations are not approved, certain parties may not be considered Releasing Parties, Released Parties, or Exculpated Parties, and certain Released Parties or Exculpated Parties may withdraw their support for the Plan.

6. ***Risks Related to Classification of Claims and Interests***

Section 1122 of the Bankruptcy Code provides that a plan may place a claim 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 Plan Debtor believes that the classification of Claims and Interests under the Plan complies with the requirements set forth in the Bankruptcy Code. However, there can be no assurance that a party in interest will not object or that the Bankruptcy Court will approve the classifications.

The Plan Debtor reserves the right to object to the amount or classification of any Claim under the Plan. The estimates set forth in this Disclosure Statement cannot be relied upon by any holder of a Claim where such Claim is subject to an objection. Any holder of a Claim that is subject to an objection thus may not receive its expected share of the estimated distributions described in this Disclosure Statement.

7. ***Alternative Restructuring***

If the Plan cannot be confirmed or if the Bankruptcy Court otherwise finds that it would be in the best interest of holders of Claims and Interests, the Plan Debtor thereafter will consider all available restructuring alternatives, including filing an alternative chapter 11 plan or converting to a case under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be appointed or elected to liquidate the Plan Debtor's assets for distribution in accordance with the priorities established by the Bankruptcy Code. The terms of any alternative restructuring proposal are uncertain and may be less favorable to holders of Claims and Interests against the Plan Debtor than the terms of the Plan as described in this Disclosure Statement.

8. ***Factors Affecting the Recoveries of Holders of Allowed Administrative Expense Claims***

It is possible that the amount of Allowed Administrative Expense Claims will be higher than the range the Plan Debtor has estimated to date, and thus recoveries could be materially reduced or eliminated. In addition, the timing or amount of actual distributions to holders of Allowed Administrative Expense Claims may be affected by many factors. Therefore, the Plan Debtor cannot guarantee the timing of any recovery on an Allowed Administrative Expense Claim.

9. ***Claims Could Be More than Projected***

There can be no assurance that the estimated Allowed amount of Claims in certain Classes will not be significantly more than projected, which, in turn, could cause the value of distributions to be reduced substantially. Inevitably, some assumptions will not materialize, and unanticipated events and circumstances may affect the ultimate results. Therefore, the actual amount of Allowed Claims may vary from the Debtors' projections and the variation may be material.

10. ***Conversion to Chapter 7***

If no plan can be confirmed, or if the Bankruptcy Court otherwise finds that it would be in the best interests of the creditors and/or the Plan Debtor, the Plan Debtor's chapter 11 case may be converted to a case under chapter 7 of the Bankruptcy Code. In such event, a chapter 7 trustee would be appointed or elected to liquidate the Plan Debtor's assets for distribution in accordance with the priorities established by the Bankruptcy Code.

The Plan Debtor has no known assets other than equity interests in a single subsidiary, Debtor AVM Export, Inc. ("**AVM**"). The Plan Debtor does not believe there is equity value in this subsidiary. Accordingly, the Plan Debtor believes that each holder of an Allowed Claim or Interest against the Plan

Debtor that is classified under the Plan would not receive any recovery on account of its Allowed Claim or Interest in a chapter 7 case of the Plan Debtor.

11. ***Dismissal of Chapter 11 Case***

If no plan can be confirmed, or if the Bankruptcy Court otherwise finds that it would be in the best interests of the creditors and/or the Plan Debtor, the Plan Debtor's chapter 11 case may be dismissed by order of the Bankruptcy Court.

12. ***Cost of Administering the Trusts***

Liquidation of the Litigation Trust Assets, DIP Collateral Trust Assets, and ABL Collateral Trust Assets, and the disbursement of the proceeds of such liquidation, will require certain administrative costs that may vary based on a variety of factors, including many out of the Trusts' control. Such administrative costs cannot be predicted with certainty and may affect recoveries under the Plan.

B. ADDITIONAL FACTORS TO BE CONSIDERED

1. ***Plan Debtor Could Withdraw Plan***

The Plan may be revoked or withdrawn prior to the Confirmation Date by the Plan Debtor, including in accordance with Section 14.7 of the Plan.

2. ***No Duty to Update***

The statements contained in this Disclosure Statement are made by the Plan Debtor as of the commencement of these chapter 11 cases, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has been no change in the information set forth herein since that date. The Plan Debtor has no duty to update this Disclosure Statement unless otherwise ordered to do so by the Bankruptcy Court.

3. ***No Representations Outside Disclosure Statement are Authorized***

No representations concerning or related to the Plan Debtor, this chapter 11 case, or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement. Any representations or inducements made to secure your acceptance or rejection of the Plan that are other than as contained in, or included with, this Disclosure Statement or any Creditors' Committee Position Letter should not be relied upon by you in arriving at your decision.

4. ***No Legal or Tax Advice is Provided***

The contents of this Disclosure Statement should **not** be construed as legal, business, or tax advice. Each holder of a Claim or Interest should consult his, her, or its own legal counsel and accountant as to legal, tax, and other matters concerning his, her, or its Claim or Interest. This Disclosure Statement is not legal advice to you. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to confirmation of the Plan.

5. ***No Admission Made***

Nothing contained in the Plan will constitute an admission of, or be deemed evidence of, the tax or other legal effects of the Plan on the Plan Debtor or on holders of Claims or Interests.

6. ***Certain Tax Consequences***

For a discussion of certain tax considerations to the Plan Debtor and certain holders of Claims in connection with the implementation of the Plan, see Section VI hereof.

7. ***The Debtors are Under Investigation***

The Debtors are or may be subject to various investigations, inquiries, requests for information or informal or formal proceedings from federal, state and international authorities related to certain prepetition conduct of certain Debtor entities, as well as certain affiliated non-Debtor entities and former D&Os of the Debtors. The Debtors have cooperated with the relevant authorities regarding these investigations and provided documents responsive to the requests, and continue to work with such authorities on investigations related to the businesses and prepetition conduct of certain Debtor and affiliated non-Debtor entities. At this time, it is impossible to estimate the impact of such investigations.

The Debtors continue to be subject to ongoing proceedings, as well as investigations of potential claims, and it is possible that parties may commence additional litigation against the Debtors. In addition, as a result of these investigations, the Debtors could be subject to additional civil or criminal penalties or administrative sanctions, including fines, disgorgement, restitution, compliance orders and suspension of licenses, any of which could adversely affect the Debtors' financial condition and creditor recoveries.

8. ***Ongoing Litigation and Other Contingencies Could Affect Recoveries***

The Plan contemplates that the Litigation Trust will collect on certain present and future Claims and Causes of Action and distribute recovered amounts to creditors. The Plan Debtor cannot predict with certainty the outcome or effect of the resolution of claims arising from such pending and future litigation. An adverse outcome in any litigation on which distributions under the Plan depend could materially affect the recovery of creditors. Specifically, the occurrence of such contingencies could, among other things, materially affect (i) the amount of distributions to holders of Claims and Interests under the Plan; and/or (ii) result in delay to the timing of distributions.

9. ***No Waiver of Right to Object or Right to Recover Transfers and Assets***

The vote by a holder of a Claim or Interest for or against the Plan does not constitute a waiver or release of any Claims, Causes of Action, or rights of the Debtors or any entity as the case may be, to object to that holder's Claim or Interest, or recover any preferential, fraudulent, or other voidable transfer of assets, regardless of whether any Claims or Causes of Action of the Debtors or their Estates are specifically or generally identified in this Disclosure Statement.

10. ***Failure to Identify Litigation Claims or Causes of Action***

No reliance should be placed on the fact that a particular litigation claim or a projected objection to a particular Claim or Cause of Action is, or is not, identified in this Disclosure Statement. The Litigation Trustee may seek to investigate, file, and prosecute Claims or Causes of Action and may object to Claims or Interests after the Effective Date of the Plan irrespective of whether this Disclosure Statement identifies such Claims or Causes of Action or objections to such Claims or Interests.

11. ***Objection to Amount or Classification of Claims***

The Plan Debtor reserves the right to object to the amount or classification of any Claim under the Plan. The estimates set forth in this Disclosure Statement cannot be relied upon by any holder of a Claim

where such Claim is subject to an objection. Any holder of any Claim whose Claim is or may be subject to an objection may not receive its specified share of the estimated distributions described in this Disclosure Statement.

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

The following discussion summarizes certain U.S. federal income tax consequences of the implementation of the Plan to the Plan Debtor and to certain holders of Allowed Claims. This discussion does not address the U.S. federal income tax consequences to holders of Claims who are Unimpaired, not entitled to vote on the Plan, deemed to reject the Plan or who will be paid in full in cash under the Plan, nor to holders of Interests, since such holders are deemed to reject the Plan.

The discussion of U.S. federal income tax consequences below is based on the Internal Revenue Code of 1986 (as amended, the "**Tax Code**"), the U.S. Treasury regulations promulgated thereunder (the "**Treasury Regulations**"), judicial authorities, published positions of the Internal Revenue Service (the "**IRS**"), and other applicable authorities, all as in effect on the date of this Disclosure Statement and all of which are subject to change or differing interpretations (possibly with retroactive effect). Any such change could significantly affect the U.S. federal income tax consequences described below.

The U.S. federal income tax consequences of the contemplated transactions are complex and subject to significant uncertainties. The Plan Debtor has not requested an opinion of counsel or a ruling from the IRS with respect to any of the tax aspects of the contemplated transactions, and the discussion below is not binding upon the IRS or any court. No assurance can be given that the IRS will not assert, or that a court will not sustain, a different position as to the federal income tax consequences described herein.

This summary does not address state, local, or non-U.S. income or other tax consequences of the Plan, nor does it purport to address all aspects of U.S. federal income taxation that may be relevant to certain holders of Claims in light of their individual circumstances or, except as otherwise indicated, to a holder that may be subject to special tax rules (e.g., any person who is not a U.S. Holder (as defined below), controlled foreign corporations, passive foreign investment companies, small business investment companies, regulated investment companies, real estate investment trusts, broker-dealers, mutual funds, banks and certain other financial institutions, insurance companies, tax-exempt entities or organizations, governmental authorities or agencies, retirement plans, individual retirement and other tax-deferred accounts, holders that are, or hold Claims through, S corporations, partnerships or other pass-through entities for U.S. federal income tax purposes, persons whose functional currency is not the U.S. dollar, dealers in securities or foreign currency, traders in securities that mark-to-market their securities, certain expatriates or former long-term residents of the U.S., persons subject to the alternative minimum tax or the "Medicare" tax on net investment income, persons who use the accrual method of accounting and report income on an "applicable financial statement," and persons holding Claims that are part of a straddle, hedging, constructive sale, or conversion transaction or other integrated investment, and persons who received their Claim as compensation). In addition, this discussion does not address the Foreign Account Tax Compliance Act or U.S. federal taxes other than income taxes.

The following discussion generally assumes that the Plan will be treated as a plan of liquidation of the Plan Debtor such that the Plan Debtor itself will be liquidated and that all distributions to holders of Claims will be taxed accordingly. The Plan Debtor will remain in existence after the Effective Date solely for the purpose of completing the Wind Down.

Additionally, this discussion assumes that: (i) the various debt and other arrangements to which the Plan Debtor is a party will be respected for U.S. federal income tax purposes in accordance with their form

and (ii) except where otherwise indicated, the Claims are held as "capital assets" (generally, property held for investment) within the meaning of section 1221 of the Tax Code.

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

A. CONSEQUENCES TO THE PLAN DEBTOR

The Plan Debtor is treated as disregarded as separate from any other FBG Debtor for U.S. federal income tax purposes. As such, the Plan Debtor is currently not subject to U.S. federal income tax. In addition, the Plan provides that the Plan Debtor shall implement the Plan and the Wind Down in a manner such that the Plan Debtor shall continue to be treated as a disregarded entity through the implementation of the Plan. Accordingly, any U.S. federal income tax consequences of the implementation of the Plan are not expected to result in any U.S. federal income tax liability to the Plan Debtor.

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

The following discusses certain U.S. federal income tax consequences of the implementation of the Plan to holders of certain Allowed Claims who are U.S. Holders. As used herein, the term "**U.S. Holder**" means a beneficial owner of an Allowed Claim that is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the U.S., any state thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust, if a court within the U.S. is able to exercise primary jurisdiction over its administration and one or more U.S. persons have authority to control all of its substantial decisions, or if the trust has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

If a partnership or other entity or arrangement taxable as a partnership for U.S. federal income tax purposes holds any such Claim, the tax treatment of a partner in such partnership generally will depend upon the status of the partner, the activities of the partnership and certain determinations made at the partner-level. If you are a partnership holding any such Claim or a partner in any such partnership, you are urged to consult your own tax advisor regarding the U.S. federal income and other tax consequences of the Plan.

1. *Treatment of Allowed Roll-Up Claims, Allowed First Lien Claims, Allowed Second Lien Claims, Allowed ABL Claims, and Certain Allowed General Unsecured Claims*

Pursuant to the Plan, in full and final satisfaction, settlement, release, and discharge of their Claims:

(a) each holder of an Allowed Roll-Up Claim will receive such holder's Pro Rata Share of (i) the Class 3(a) Litigation Trust Interests and (ii) the Class 3 DIP Collateral Trust Interests;

(b) each holder of an Allowed First Lien Claim and Allowed Second Lien Claim will receive such holder's Pro Rata Share of the Class 3(c) Litigation Trust Interests;

(c) each holder of an Allowed ABL Claim will receive such holder's Pro Rata Share of the ABL Collateral Trust Interests; and

(d) each holder of an Allowed General Unsecured Claim will receive such holder's Pro Rata Share of the Class 3(b) Litigation Trust Interests.

As discussed below, each holder of an Allowed Roll-Up Claim, Allowed First Lien Claim, Allowed Second Lien Claim, Allowed ABL Claim, and Allowed General Unsecured Claim will be treated for U.S. federal income tax purposes as directly receiving in satisfaction of and in exchange for such Allowed Claim, and thereafter as a direct owner of, an undivided interest in the underlying assets of the Litigation Trust, DIP Collateral Trust, or ABL Collateral Trust, as applicable. As to holders of Allowed General Unsecured Claims that are Electing Creditors, this treatment is obtained even though the GUC Ombudsman will be the holder of record of the Class 3(b) Litigation Trust Interests. For a further discussion of the U.S. federal income tax treatment of receiving and owning a beneficial interest in any of the Trusts, *see* Section VI.C.

Generally, a U.S. Holder of an Allowed Claim recognizes gain or loss with respect to its Allowed Claim in an amount equal to the difference between (i) the fair market value of any consideration received (or deemed received) pursuant to the Plan and (ii) the adjusted tax basis of the Allowed Claim exchanged therefor, excluding both from the consideration received and a U.S. Holder's tax basis in its Claim any amounts attributable to a Claim for accrued but unpaid interest or possibly amortized original issue discount ("**OID**"). *See* Section VI.B.4. For a discussion of the accrued but unpaid interest and accrued OID, *see* Section VI.B.3. In the case of an Allowed Roll-Up Claim, Allowed First Lien Claim, Allowed Second Lien Claim, and Allowed ABL Claim, the nature of each such Allowed Claim against the Plan Debtor is that of a guaranty Claim, and not of a primary obligation. Accordingly, each holder of such an Allowed Claim generally will not be permitted to recognize a loss with respect to such Claim while preserving and continuing to pursue the primary obligation, other guaranty Claims against the Estates of the FBG Debtors (other than the Plan Debtor), and other sources of collection with respect to its Claim. In similar fashion, if the holder of an Allowed General Unsecured Claim is seeking or has the right to receive payments from other sources of collection in respect of its Claim (e.g., the Direct Claims Trust or due to the subsequent disallowance of any Disputed General Unsecured Claims), the recognition of any loss realized by such a U.S. Holder with respect to its Allowed Claim may be deferred until its full loss is determined with certainty. *See also* Section VI.C.3 below.

Pursuant to the Plan, the Litigation Trustee, the DIP Collateral Trustee, and the ABL Collateral Trustee (collectively, and together with the Direct Claims Trustee, the "**Trustees**"), or a Trustee's designee, will determine the value of the assets transferred to the applicable Trust (as defined below) as of the Effective Date. All parties to a Trust (including U.S. Holders of Allowed Claims receiving interests therein) must consistently use such valuation for all U.S. federal income tax purposes. The Trustees will provide valuations to holders of beneficial interests and other applicable parties.

The aggregate tax basis of a U.S. Holder of an Allowed Claim in its undivided interest in the underlying assets of the applicable Trust (subject to any portion(s) of the Trust which may be treated as a "disputed ownership fund" or other taxable entity for U.S. federal income tax purposes) will equal the fair market value of such holder's interest in such assets increased by its share of the liabilities to which such

assets remain subject upon transfer to the applicable Trust, and such U.S. Holder's holding period generally will begin on the day following the date of transfer of such assets to the applicable Trust.

Because a holder of a beneficial interest in a liquidating trust is treated as a direct owner of an undivided interest in the underlying assets of the Trust, any income or loss of the Trust will be treated as income or loss of the beneficiary. In general, a distribution of cash by a Trust to any of its beneficiaries will not be separately taxable since the beneficiary is already regarded for U.S. federal income tax purposes as owning an undivided interest in the underlying assets. For a further discussion, *see* Section VI.C.

2. ***Distributions in Discharge of Accrued Interest or OID***

Pursuant to Section 10.15 of the Plan, all distributions in respect of Allowed Claims will be allocated first to the principal amount of the Allowed Claim (as determined for U.S. federal income tax purposes), with any excess allocated to accrued but unpaid interest (including amortized OID). However, there is no assurance that such allocation will be respected by the IRS for U.S. federal income tax purposes.

In general, to the extent any amount received by a U.S. Holder pursuant to the Plan is received in satisfaction of interest accrued (including amortized OID) during its holding period, such amount will be taxable to the holder as ordinary interest income (if not previously included in the U.S. Holder's gross income under the U.S. Holder's normal method of accounting). Conversely, a U.S. Holder may be entitled to recognize an ordinary loss to the extent any accrued interest claimed or amortized OID 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" of a corporate issuer, in an otherwise tax-free exchange, could not claim a current deduction with respect to any unpaid OID. Accordingly, it is also unclear whether, by analogy, a U.S. Holder of an Allowed Claim that does not constitute a "security" would be required to recognize a capital loss, rather than an ordinary loss, with respect to previously included OID that is not paid in full. Each U.S. Holder of an Allowed Claim is urged to consult its own tax advisors regarding the allocation of consideration and the taxation or deductibility of unpaid interest (including OID) for tax purposes.

3. ***Character of Gain or Loss***

Where gain or loss is recognized by a U.S. Holder, the character of such gain or loss as long-term or short-term capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder and how long it has been held, whether the holder reports income using the accrual or cash method of accounting, whether such Claim was acquired at a market discount, and whether and to what extent the U.S. Holder previously claimed a bad debt deduction or worthless security deduction with respect to such Claim.

A U.S. Holder that purchased its Claim from a prior holder at a "market discount" (relative to the principal amount of such Claim at the time of acquisition) may be subject to the market discount rules of the Tax Code, unless an exception applies. A U.S. Holder that purchased its Claim from a prior holder will be considered to have purchased such Claim with a "market discount" if the U.S. Holder's adjusted tax basis in its Claim immediately after its acquisition is less than the adjusted issue price of such Claim (or, in the case of a Claim issued without OID, the sum of all remaining payments to be made on the Claim, excluding "qualified stated interest") by at least a statutorily defined de minimis amount. Under these rules, gain recognized on the taxable disposition of a Claim that is subject to the market discount rules generally will be treated as ordinary income to the extent of the market discount accrued (on a straight line basis or, at the election of the holder, on a constant yield basis) during the U.S. Holder's period of ownership, unless the U.S. Holder elected to include the market discount in income as it accrued.

C. TAX TREATMENT OF THE TRUSTS AND THEIR BENEFICIARIES

1. *Classification of the Trusts as "Liquidating Trusts"*

Each of the Litigation Trust, DIP Collateral Trust, ABL Collateral Trust, and the Direct Claims Trust (collectively, the "**Trusts**") is intended to qualify as a "liquidating trust" within the meaning of Treasury Regulation section 301.7701-4(d) for U.S. federal income tax purposes (except to the extent that any assets of the Litigation Trust or ABL Collateral Trust allocable to, or held on account of, Disputed Claims are treated as a "disputed ownership fund" within the meaning of Treasury Regulations section 1.468B-1 et seq. or other separate taxable entity, as discussed below). In general, a liquidating trust is not a separate taxable entity but rather is treated for U.S. federal income tax purposes as a "grantor" trust (i.e., a pass-through entity). The IRS, in Revenue Procedure 94-45, 1994-2 C.B. 684, set forth the general criteria for obtaining an IRS ruling as to the grantor trust status of a liquidating trust under a chapter 11 plan. Each of the Litigation Trust, DIP Collateral Trust, and ABL Collateral Trust will be structured with the intention of complying with such general criteria.

Pursuant to the Plan, and in conformity with Revenue Procedure 94-45, all parties (including, without limitation, the Plan Debtor, the Trustees, and the beneficiaries of each Trust) must treat the transfer of assets to the applicable Trust (other than the Direct Claims Trust) as (1) a transfer of such assets (subject to any liabilities and obligations relating to those assets) directly to recipients of beneficial interests in such Trust (other than in respect of any portion of the assets allocable to any portion treated as a "disputed ownership fund" or other taxable entity), immediately followed by (2) a transfer by such beneficiaries to the applicable Trust of such assets in exchange for beneficial interests in the applicable Trust. At the same time, pursuant to the Plan and the Litigation Trust Agreement, the holders of Allowed DIP A Claims comprising the Litigation Trust Funding Contributors will provide funding for the Litigation Trust in exchange for Class 1 Litigation Trust Interests. Accordingly, except in the event of contrary definitive guidance, holders of beneficial interests in the Trusts shall be treated for U.S. federal income tax purposes as the grantors and owners of their respective share of the underlying assets of the Trusts (other than such assets as are allocable to any portion treated as a "disputed ownership fund" or other taxable entity).

No ruling is currently being requested from the IRS concerning the tax status of any of the Trusts as a grantor trust or the identity of any particular party as a grantor with respect to any of the Trusts. Accordingly, there can be no assurance that the IRS would not take a contrary position to the classification of any of the Trusts as a grantor trust or status of any party as a grantor with respect to any of the Trusts (including as a result of the issuance of Class 1 Litigation Trust Interests to the Litigation Trust Funding Contributors). If the IRS were to challenge successfully such classification or status, the U.S. federal income tax consequences of the Trusts and the applicable holders of Claims could vary from those discussed herein (including as a result of the Trust potentially being treated for U.S. federal income tax purposes as a partnership or a corporation). Certain U.S. federal income tax consequences of the Litigation Trust or ABL Collateral Trust or portions thereof being treated as a "disputed ownership fund" or other taxable entity are also discussed below.

The Litigation Trust Interests, DIP Collateral Trust Interests, ABL Collateral Trust Interests, and Direct Claims Trust Interests will not be transferrable, other than in certain limited circumstances.

2. *General Tax Reporting by the Trusts and Their Beneficiaries*

Because each of the Trusts will be structured to qualify as a "liquidating trust" for U.S. federal income tax purposes, the Plan provides that, for all U.S. federal income tax purposes, all parties must treat each of the Trusts as a grantor trust of which the holders of beneficial interests in the Trusts are the owners and grantors, and treat such beneficiaries as the direct owners of an undivided interest in the assets of each

of the Trusts consistent with their relative share therein (other than in respect of any assets allocable to any portion of the Trusts treated as a "disputed ownership fund" or other taxable entity). Each of the Trustees will file tax returns for the Trusts treating each of the Trusts as a grantor trust pursuant to Treasury Regulation section 1.671-4(a). The Trustees will provide annually to their respective holders of record of a beneficial interest in the relevant Trust a separate statement regarding the receipts and expenditures of such Trust as relevant for U.S. federal income tax purposes.

As soon as reasonably practicable after the transfer of the Litigation Trust Assets, the DIP Collateral Trust Assets, the ABL Collateral Trust Assets, and the Direct Claims Trust Assets to each of the Litigation Trust, the DIP Collateral Trust, the ABL Collateral Trust, and the Direct Claims Trust Assets respectively, the applicable Trustee will make a good faith valuation of the fair market value of such assets. All parties (including, without limitation, the Plan Debtor, the Trustees, and the beneficiaries of the Trusts) must consistently use such valuation for all U.S. federal income tax purposes. The valuation will be made available by the Trustee, from time to time, as relevant for tax reporting purposes.

Allocations of taxable income of the Trusts among the Trust beneficiaries (with the exception of any taxable income and loss allocable to any portion of the Trusts treated as a "disputed ownership fund" or other taxable entity, which would be separately taxable to such fund, *see* Section VI.C.3),will be determined by reference to the manner in which an amount of cash equal to such taxable income would be distributed (were such cash permitted to be distributed at such time) if, immediately prior to such deemed distribution, the applicable Trust had distributed all its assets (valued at their tax book value) to the applicable Trust beneficiaries, adjusted for prior taxable income and loss and taking into account all prior and concurrent distributions from the Trust. Similarly, taxable loss of any Trust will be allocated by reference to the manner in which an economic loss would be borne immediately after a liquidating distribution of the remaining assets of such Trust. The tax book value of any Trust's assets for purposes of allocating taxable income and loss will be equal to their fair market value on the date of the transfer of such assets to the applicable Trust, adjusted in accordance with tax accounting principles prescribed by the Tax Code, applicable Treasury Regulations, and other applicable administrative and judicial authorities and pronouncements.

Taxable income or loss allocated to a Trust beneficiary will be treated as income or loss with respect to such Trust beneficiary's undivided interest in the applicable Trust's assets, and not as income or loss with respect to its prior Allowed Claim. The character of any income and the character and ability to use any loss would depend on the particular situation of the holder of such beneficial interest in any Trust.

The U.S. federal income tax obligations of a holder with respect to its beneficial interest in a Trust is not dependent on the Trust distributing any cash or other proceeds (other than with respect to the portion, if any, of the Trust also treated as a disputed ownership fund or other taxable entity). Thus, a U.S. Holder may incur a U.S. federal income tax liability with respect to its allocable share of a Trust's income, even if the Trust does not make a concurrent distribution to the holder. In general, other than in respect of any cash treated as owned by a disputed ownership fund or other separate taxable entity (the subsequent distribution or reallocation of which to holders of previously Allowed Claims still relates to the holders' Allowed Claims), a distribution of cash by the Trust will not be separately taxable to a beneficiary of the Trust since the beneficiary is already regarded for U.S. federal income tax purposes as owning the underlying assets (and was taxed at the time the cash was earned or received by the Trust). Holders are urged to consult their own tax advisor regarding the appropriate U.S. federal income tax treatment of any subsequent distributions of cash from the Trusts.

The Trusts will comply with all applicable governmental withholding requirements, including with respect to non-U.S. Holders. *See* Section VI.D.

3. ***Tax Reporting for Assets Allocable to or Retained on Account of Disputed Claims***

Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including the receipt by any of the Trustees of a private letter ruling if a Trustee so requests one, or the receipt of an adverse determination by the IRS upon audit if not contested by the respective Trustee(s)), the Litigation Trustee and ABL Collateral Trustee may timely elect to treat any portion of the Litigation Trust or ABL Collateral Trust allocable to, or retained on account of, Disputed Claims as a "disputed ownership fund" governed by Treasury Regulations section 1.468B-9 or other taxable entity, if applicable. In addition, the GUC Ombudsman, as permitted or required by applicable law, may treat any Litigation Trust Assets allocable to, or held on account of, any Class 3(b) Litigation Trust Interests as a "disputed ownership fund" or other separate taxable entity.

A "disputed ownership fund" generally is treated as a separate taxable entity for U.S. federal income tax purposes and is subject to tax annually on any net income earned with respect to the assets allocable thereto, or retained on account thereof (including any gain recognized upon the transfer, resolution, distribution, or other disposition of fund assets). All distributions from such fund (which distributions will be net of the expenses, including taxes, relating to the retention or disposition of such assets) will be treated as received by a holder in respect of its Claim as if distributed by the Plan Debtor to which such holder's Claim relates. All parties (including, without limitation, the Plan Debtor, the Litigation Trustee, GUC Ombudsman, and Litigation Trust beneficiaries, with respect to the Litigation Trust, and the Plan Debtor, the ABL Collateral Trustee, and the ABL Collateral Trust beneficiaries, with respect to the ABL Collateral Trust) will be required to report for tax purposes consistently with the Litigation Trustee (or GUC Ombudsman) or ABL Collateral Trustee's treatment of any portion of the Litigation Trust (including with respect to Litigation Trust Assets allocable to, or held on account of, any Class 3(b) Litigation Trust Interests) or ABL Collateral Trust, respectively, allocable to, or retained on account of, Disputed Claims as a "disputed ownership fund" governed by Treasury Regulations section 1.468B-9 or other taxable entity.

A fund treated as a "disputed ownership fund" or other taxable entity will be responsible for payment, out of the assets of the fund, of any taxes (including any taxes attributable to any income that may arise upon the actual or deemed distribution of the assets) imposed on the fund or its assets. In the event any cash in such fund is insufficient to pay the costs and expenses of the fund, assets of the fund may be sold to pay such costs and expenses.

D. WITHHOLDING ON DISTRIBUTIONS AND INFORMATION REPORTING

Payments of interest or dividends and any other reportable payments, possibly including amounts received pursuant to the Plan and payments of proceeds from the sale, retirement, or other disposition of the exchange consideration, may be subject to "backup withholding" (currently at a rate of 24%) if a recipient of those payments fails to furnish to the payor certain identifying information and, in some cases, a certification that the recipient is not subject to backup withholding. Backup withholding is not an additional tax. Any amounts deducted and withheld generally should be allowed as a credit against that recipient's U.S. federal income tax, provided that appropriate proof is timely provided under rules established by the IRS. Furthermore, certain penalties may be imposed by the IRS on a recipient of payments who is required to supply information but who does not do so in the proper manner. Backup withholding generally should not apply with respect to payments made to certain exempt recipients, such as corporations and financial institutions. Information may also be required to be provided to the IRS concerning payments, unless an exemption applies. You should consult your own tax advisor regarding your qualification for exemption from backup withholding and information reporting and the procedures for obtaining such an exemption.

In addition, a Trust beneficiary that is not a U.S. person may be subject to 30% withholding, depending on, among other things, the particular type of income and whether the type of income is subject to a lower treaty rate. A non-U.S. holder may also be subject to other adverse consequences in connection with the implementation of the Plan. As discussed above, the foregoing discussion of the U.S. federal income tax consequences of the Plan does not generally address the consequences to non-U.S. holders of Allowed Claims.

The foregoing summary has been provided for informational purposes only and does not discuss all aspects of U.S. federal income taxation that may be relevant to a particular holder. All holders of Claims are urged to consult their tax advisors concerning the federal, state, local, and other tax consequences applicable under the Plan.

VII. CONFIRMATION OF PLAN

A. CONFIRMATION HEARING

SECTION 1128(A) OF THE BANKRUPTCY CODE REQUIRES THE BANKRUPTCY COURT TO HOLD A CONFIRMATION HEARING UPON APPROPRIATE NOTICE TO ALL REQUIRED PARTIES. NOTICE OF THE CONFIRMATION HEARING WILL BE PROVIDED TO ALL KNOWN CREDITORS AND EQUITY HOLDERS OF THE PLAN DEBTOR OR THEIR REPRESENTATIVES. THE CONFIRMATION HEARING MAY BE ADJOURNED FROM TIME TO TIME BY THE BANKRUPTCY COURT WITHOUT FURTHER NOTICE EXCEPT FOR THE ANNOUNCEMENT OF THE CONTINUATION DATE MADE AT THE CONFIRMATION HEARING, AT ANY SUBSEQUENT CONTINUED CONFIRMATION HEARING, OR PURSUANT TO A NOTICE FILED ON THE DOCKET FOR THE CHAPTER 11 CASES.

B. OBJECTIONS

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to the confirmation of a plan. Any objection to confirmation of the Plan must be in writing, must conform to the Bankruptcy Rules and the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas, must set forth the name of the objector, the nature and amount of the Claims held or asserted by the objector against the Plan Debtor's estate or properties, the basis for the objection and the specific grounds therefore, and must be filed with the Bankruptcy Court, with a copy to the chambers of the United States Bankruptcy Judge appointed to the chapter 11 cases, together with proof of service thereof, and served upon the following parties, including such other parties as the Bankruptcy Court may order.

UNLESS AN OBJECTION TO CONFIRMATION IS TIMELY FILED, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

C. REQUIREMENTS FOR CONFIRMATION OF PLAN

The Bankruptcy Court will confirm the Plan only if all of the requirements of section 1129 of the Bankruptcy Code are met. Among the requirements for confirmation are that the Plan is (i) accepted by all impaired Classes of Claims and Interests entitled to vote or, if the Plan is rejected or deemed rejected by an impaired Class, at least one impaired Class has voted to accept the Plan and a determination that the Plan "does not discriminate unfairly" and is "fair and equitable" as to such Class, (ii) in the "best interests" of the holders of Claims and Interests impaired under the Plan, and (iii) feasible.

1. ***Requirements of Section 1129(a) of Bankruptcy Code***

At the Confirmation Hearing, the Bankruptcy Court will determine whether the confirmation requirements specified in section 1129(a) of the Bankruptcy Code have been satisfied, including whether:

(a) the Plan complies with the applicable provisions of the Bankruptcy Code;

(b) the Plan Debtor has complied with the applicable provisions of the Bankruptcy Code;

(c) the Plan has been proposed in good faith and not by any means forbidden by law;

(d) any payment made or promised by the Plan Debtor, for services or for costs and expenses in or in connection with its chapter 11 case, or in connection with the Plan and incident to this chapter 11 case, has been disclosed to the Bankruptcy Court, and any such payment made before confirmation of the Plan is reasonable, or if such payment is to be fixed after confirmation of the Plan, such payment is subject to the approval of the Bankruptcy Court as reasonable;

(e) the Plan Debtor has disclosed, to the extent known, the identity and affiliations of any individual proposed to serve, after confirmation of the Plan, as a D&O of the Plan Debtor, or a successor to the Plan Debtor under the Plan, and the appointment to, or continuance in, such office of such individual is consistent with the interests of holders of Claims and Interests and with public policy;

(f) with respect to each Class of Claims or Interests, each holder of an Impaired Claim has either accepted the Plan or will receive or retain under the Plan, on account of such holder's Claim, property of a value, as of the Effective Date of the Plan, that is not less than the amount such holder would receive or retain if the Plan Debtor were liquidated on the Effective Date of the Plan under chapter 7 of the Bankruptcy Code;

(g) except to the extent the Plan meets the requirements of section 1129(b) of the Bankruptcy Code (as discussed further below), each Class of Claims or Interests either accepted the Plan or is not impaired under the Plan;

(h) except to the extent that the holder of a particular Claim has agreed to a different treatment of such Claim, the Plan provides that Allowed Administrative Expense Claims and other priority claims will be paid in full on the Effective Date, or receive such other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code;

(i) at least one Class that is Impaired has accepted the Plan, determined without including any acceptance of the Plan by any insider holding a Claim in such Class;

(j) confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Plan Debtor or any successor to the Plan Debtor under the Plan, unless such liquidation is proposed in the Plan; and

(k) all fees payable under section 1930 of title 28, as determined by the Bankruptcy Court at the Confirmation Hearing, have been paid or the Plan provides for the payment of all such fees on the Effective Date of the Plan.

The Plan Debtor believes the Plan meets all the applicable requirements of section 1129 of the Bankruptcy Code.

2. ***Acceptance of Plan***

Under the Bankruptcy Code, a Class accepts a chapter 11 plan if (i) holders of two-thirds (2/3) in amount and (ii) with respect to holders of Claims, more than a majority in number of the Allowed Claims in such Class (other than those designated under section 1126(e) of the Bankruptcy Code) vote to accept such plan. Holders of Claims that fail to vote are not counted in determining the thresholds for acceptance of such plan.

3. ***Cramdown***

If any Impaired Class of Claims or Interests does not accept the Plan (or is deemed to reject the Plan), the Bankruptcy Court may still confirm the Plan at the request of the Plan Debtor if at least one Impaired Class has voted to accept the Plan and as to each Impaired Class of Claims or Interests that has not accepted the Plan (or is deemed to reject the Plan), the Plan "does not discriminate unfairly" and is "fair and equitable" under the so-called "cramdown" provisions set forth in section 1129(b) of the Bankruptcy Code.

a. <u>No Unfair Discrimination</u>

The "unfair discrimination" test applies to classes of claims or interests that are of equal priority but are receiving different treatment under the Plan. A chapter 11 plan does not discriminate unfairly, within the meaning of the Bankruptcy Code, if the legal rights of a dissenting class are treated in a manner consistent with the treatment of other classes whose legal rights are substantially similar to those of the dissenting class and if no class of claims or interests receives more than it legally is entitled to receive for its claims or interests. The test does not require that the treatment be the same or equivalent, but that such treatment be "fair."

The Plan Debtor believes that, under the Plan, all Impaired Classes of Claims and Interests are treated in a manner that is fair and consistent with the treatment of other Classes of Claims and Interests having the same priority. Accordingly, the Plan Debtor believes the Plan does not discriminate unfairly as to any Impaired Class of Claims or Interests.

b. <u>Fair and Equitable Test</u>

The "fair and equitable" test applies to classes of different priority and status (e.g., secured versus unsecured; claims versus interests) and includes the general requirement that no class of claims receive more than 100% of the allowed amount of the claims in such class. As to the dissenting class, the test sets different standards that must be satisfied for the Plan to be confirmed, depending on the type of claims or interests in such class. The following sets forth the "fair and equitable" test that must be satisfied as to each type of class for a plan to be confirmed if such class rejects the Plan:

- **Secured Creditors**. Each holder of an impaired secured claim either (i) retains its liens on the property, to the extent of the allowed amount of its secured claim, and receives deferred Cash payments having a value, as of the effective date of the plan, of at least the allowed

amount of such secured claim, (ii) has the right to credit bid, subject to section 363(k) of the Bankruptcy Code, the amount of its claim if its property on which it has a lien is sold and retains its lien on the proceeds of the sale, or (iii) receives the "indubitable equivalent" of its allowed secured claim.

- **Unsecured Creditors**. Either (i) each holder of an impaired unsecured claim receives or retains under the plan property of a value, as of the effective date of the plan, equal to the amount of its allowed claim or (ii) the holders of claims and interests that are junior to the claims of the dissenting class will not receive any property under the plan.
- **Interests**. Either (i) each equity interest holder will receive or retain under the plan property of a value equal to the greater of (a) the fixed liquidation preference or redemption price, if any, of such equity interest and (b) the value of the equity interest or (ii) the holders of interest that are junior to the interest of the dissenting class will not receive or retain any property under the plan.

The Plan Debtor believes the Plan satisfies the "fair and equitable" requirement with respect to any rejecting Class.

IF ALL OTHER CONFIRMATION REQUIREMENTS ARE SATISFIED AT THE CONFIRMATION HEARING, THE PLAN DEBTOR WILL ASK THE BANKRUPTCY COURT TO RULE THAT THE PLAN MAY BE CONFIRMED ON THE GROUND THAT THE SECTION 1129(b) REQUIREMENTS HAVE BEEN SATISFIED.

4. ***Best Interests Test***

As noted above, with respect to each impaired class of Claims and Interests, confirmation of a plan requires that each such holder either (i) accept such plan or (ii) receive or retain under such plan property of a value, as of the effective date of the plan, that is not less than the value such holder would receive or retain if the debtors were liquidated under chapter 7 of the Bankruptcy Code. This requirement is referred to as the "best interests test."

This test requires the Bankruptcy Court to determine what holders of allowed claims and allowed interests in each impaired class would receive from a liquidation of the Plan Debtor's assets and properties in the context of a liquidation under chapter 7 of the Bankruptcy Code. To determine if a plan is in the best interests of each impaired class, the value of the distributions from proceeds of the liquidation of the Plan Debtor's assets and properties (after subtracting amounts attributable to the aforesaid claims) is compared with the value offered to such classes of claims and interests under the plan.

The Plan Debtor has no known assets other than equity interests in AVM. The Plan Debtor does not believe there is equity value in AVM. The Plan Debtor, therefore, believes that each holder of an Allowed Claim or Interest against the Plan Debtor that is classified under the Plan would not receive any recovery on account of its Allowed Claim or Interest in a chapter 7 case of the Plan Debtor. Accordingly, the Plan Debtor believes the Plan satisfies the best interests test.

5. ***Feasibility***

Section 1129(a)(11) of the Bankruptcy Code requires that a debtor demonstrate that confirmation of a plan is not likely to be followed by liquidation or the need for further financial reorganization. For purposes of determining whether the Plan meets this requirement, the Debtors have analyzed their ability to meet their obligations under the Plan. Section V hereof sets forth certain risk factors that could impact the feasibility of the Plan.

VIII. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF PLAN

The Plan Debtor has evaluated several alternatives to the Plan. After studying these alternatives, the Plan Debtor has concluded that the Plan is the best alternative and will maximize recoveries to parties in interest, assuming confirmation and consummation of the Plan. If the Plan is not confirmed and consummated, the alternatives to the Plan are (i) a liquidation under chapter 7 of the Bankruptcy Code or (ii) the preparation and presentation of an alternative chapter 11 plan.

1. *Liquidation Under Chapter 7 of Bankruptcy Code*

If no plan can be confirmed, the Plan Debtor's chapter 11 case may be converted to a case under chapter 7 of the Bankruptcy Code in which a trustee would be elected or appointed to liquidate the assets of the Plan Debtor for distribution to its creditors in accordance with the priorities established by the Bankruptcy Code.

The Plan Debtor believes that liquidation under chapter 7 would result in smaller distributions to creditors than those provided for in the Plan because of, among other things, the delay resulting from the conversion of the chapter 11 cases, the additional administrative expenses associated with the appointment of a trustee and the trustee's retention of professionals who would be required to become familiar with the many legal and factual issues in the chapter 11 cases, and the loss in value attributable to a considerably expeditious liquidation of the Plan Debtor's assets as required by chapter 7.

2. *Alternative Chapter 11 Plan*

If the Plan is not confirmed, the Plan Debtor could attempt to formulate a different plan. Such a plan might involve an orderly liquidation of the Plan Debtor's assets. However, the Plan Debtor believes the Plan, as described herein, enables its creditors to realize the most value under the circumstances. Further, the Plan Debtor believes that failure to confirm the Plan will likely lead to the destruction of value, and, in turn, reduce potential recoveries for holders of Allowed Claims. In formulating and developing the Plan, the Plan Debtor and its stakeholders explored numerous other alternatives and engaged in an extensive negotiating process.

IX. CONCLUSION

The Plan Debtor believes that confirmation and implementation of the Plan is in the best interests of all creditors, and urges holders of Impaired Claims in Classes 3, 4, 5, and 6 to vote to accept the Plan.

Dated: April 29, 2026
New York, NY

Respectfully submitted,

PREMIER MARKETING GROUP, LLC

By: /s/ *Charles M. Moore*
Name: Charles M. Moore
Title: Chief Executive Officer

EXHIBIT A

Plan

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	**Chapter 11**
PREMIER MARKETING GROUP, LLC,	§	**Case No. 25-90420 (CML)**
Debtor.[1]	§	

CHAPTER 11 PLAN OF PREMIER MARKETING GROUP, LLC[2]

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April 28, 2026
Houston, Texas

[1] The Debtor's service address for these chapter 11 cases is 127 Public Square, Suite 5300, Cleveland, OH 44114.

[2] All Definitive Documents, including the Plan and the Disclosure Statement, remain subject to ongoing review, revision, and further negotiation by the Debtors, the Ad Hoc Group, the Creditors' Committee, and the ABL Secured Parties in all respects.

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Premier Marketing Group, LLC (the "**Plan Debtor**" and, collectively with its debtor affiliates in the Chapter 11 Cases, the "**Debtors**")[1] proposes the following chapter 11 plan pursuant to section 1121(a) of the Bankruptcy Code. Capitalized terms used herein shall have the meanings set forth in Section 1.1 below.

ARTICLE I. DEFINITIONS AND INTERPRETATION.

1.1 *Definitions.*

The following terms shall have the respective meanings specified below:

ABL Agent has the meaning set forth in the DIP Order.

ABL Borrowers has the meaning set forth in the DIP Order.

ABL Claims means all Secured Claims (including all accrued and unpaid interest, fees, charges, expenses, and other amounts) arising from the ABL Credit Agreement and the DIP Order relating to the ABL Credit Agreement.

ABL Collateral Trust means that certain liquidating trust to be established in accordance with ARTICLE VIII of the Plan to hold, transfer, sell, monetize, or abandon the ABL Collateral Trust Assets and make distributions to the ABL Collateral Trust Beneficiaries in accordance with the ABL Collateral Trust Agreement and the Plan.

ABL Collateral Trust Agreement means the agreement evidencing the terms and provisions governing the ABL Collateral Trust, establishing the terms and conditions of the ABL Collateral Trust, the rights of, and limitations on, the ABL Collateral Trust Interests, and pursuant to which the ABL Collateral Trustee shall manage and administer the ABL Collateral Trust Assets.

ABL Collateral Trust Assets means any ABL Priority Collateral for which, on the date the ABL Collateral Trust is established, (i) no bona fide dispute exists as to whether the ABL Secured Parties have a validly perfected, Lien on such collateral, senior in lien priority to liens securing the DIP Claims, or (ii) if such a bona fide dispute exists, it is subsequently determined by a court of competent jurisdiction pursuant to a Final Order or settlement that the ABL Secured Parties have a validly perfected, first-priority Lien on such collateral. The ABL Collateral Trust Assets will be identified in a schedule to be filed as part of the Plan Supplement, which schedule shall be prepared in consultation with the ABL Agent. To the extent the ABL Agent disagrees with the scope of the ABL Collateral Trust Assets set forth in the Plan Supplement, the ABL Agent may seek appropriate relief from the Bankruptcy Court.

ABL Collateral Trust Beneficiaries means the holders of the ABL Collateral Trust Interests.

ABL Collateral Trust Interests means the beneficial interests in the ABL Collateral Trust granted to holders of Allowed ABL Claims, which beneficial interests shall entitle holders

[1] A complete list of the Debtors in the Chapter 11 Cases may be obtained on the website of the Claims and Noticing Agent at https://restructuring.ra.kroll.com/firstbrands.

to share in distributions in accordance with the ABL Collateral Trust Waterfall.

ABL Collateral Trust Waterfall means the method for making distributions to the holders of ABL Collateral Trust Interests in the order of priority set forth in Section 8.3 of the Plan and the ABL Collateral Trust Agreement.

ABL Collateral Trustee means the trustee for the ABL Collateral Trust, which, unless otherwise disclosed in the Plan Supplement, shall be the ABL Agent.

ABL Credit Agreement means that certain *ABL Credit Agreement*, dated as of February 2, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time), by and among (i) First Brands Group, LLC, (ii) First Brands Group Intermediate, LLC, (iii) the other borrowers from time to time party thereto, (iv) Bank of America, N.A., as administrative agent and collateral agent, and (v) the lenders from time to time party thereto.

ABL Guarantors has the meaning set forth in the DIP Order.

ABL Intercreditor Agreement has the meaning set forth in the DIP Order.

ABL Loan Parties means, collectively, the ABL Borrowers and other ABL Guarantors.

ABL Priority Collateral has the meaning set forth in the DIP Order.

ABL Secured Parties has the meaning set forth in the DIP Order.

Ad Hoc Group has the meaning set forth in the DIP Order.

Ad Hoc Group SteerCo means the institutions that comprise the members of the steering committee of the Ad Hoc Group as of the date of the execution of the Plan Support Agreement.

Additional Unencumbered Property has the meaning set forth in the DIP Order.

Administrative Expense Claim means any Claim for a cost or expense of administration incurred during the Chapter 11 Cases of a kind specified under sections 327, 328, 330, 365, 503(b) of the Bankruptcy Code and entitled to priority under sections 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including the actual and necessary costs and expenses incurred on or after the Petition Date and through the Effective Date of preserving a Debtor's Estate and operating a Debtor's business, other than Professional Fee Claims, Restructuring Expenses, DIP A Claims, Roll-Up Claims, and Priority Tax Claims.

Adverse Conduct has the meaning set forth in Section 6.8(a) of the Plan

Affiliate means, with respect to any specified Entity: (i) an "affiliate," as defined in section 101(2) of the Bankruptcy Code, of such specified Entity as if such specified Entity were a debtor in a case under the Bankruptcy Code; (ii) any Entity that, directly or indirectly through one

or more intermediaries or otherwise, controls, is controlled by or is under common control with the specified Entity; (iii) any Entity that directly or indirectly owns, controls, or holds twenty percent (20%) or more of the outstanding equity securities of the specified Entity; or (iv) any Entity twenty percent (20%) or more of whose outstanding equity securities are directly or indirectly owned, controlled, or held by the specified Entity or by an Entity that directly or indirectly owns, controls, or holds twenty percent (20%) or more of the outstanding equity securities of the specified Entity. As used in the prior sentence, "control" includes (without limitation) the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the specified Entity (whether through the ownership of equity, by contract or otherwise).

Alester Agreements means, collectively, (i) that certain *Contribution Agreement*, dated December 30, 2022, by and between TAE Brakes, LLC and Alester Technologies, LLC; (ii) that certain *Contribution Agreement*, dated February 8, 2023, by and between Horizon Global Corporation and Alester Technologies, LLC; (iii) that certain *Intellectual Property License Agreement*, dated as of February 8, 2023, by and between First Brands Group, LLC and Alester Technologies, LLC; (iv) that certain *Contribution Agreement*, dated July 3, 2023, by and between Cardone Industries, Inc. and Alester Technologies, LLC; and (v) that certain *Contribution Agreement*, dated September 29, 2023, by and between Carter Carburetor Holdings, LLC and Alester Technologies, LLC.

Allowed means, with respect to any Claim against or Interest in the Plan Debtor, (i) any Claim or Interest arising on or before the Effective Date (a) as to which no objection to allowance has been interposed within the time period set forth in the Plan or (b) as to which any objection has been determined by a Final Order of the Bankruptcy Court to the extent such objection is determined in favor of the respective holder; (ii) any Claim against or Interest in the Plan Debtor as to which the liability of the Plan Debtor and the amount thereof are determined by a Final Order of a court of competent jurisdiction other than the Bankruptcy Court; (iii) any Claim against or Interest in the Plan Debtor expressly Allowed under the Plan; or (iv) any Claim against the Plan Debtor that is listed in the Debtors' Schedules as liquidated, non-contingent, and undisputed.

Available Cash means with respect to each Trust (i) Cash on hand (including any amounts invested pending distribution) of such Trust, as of the date of determination, realized from the Trust's assets *less* (ii) (a) any fees and costs incurred by the Trust associated with the collection of such proceeds, (b) any amounts reserved in respect of Disputed Claims, and (c) any reserves established in the good faith discretion of the Trustee to pay (w) any obligations or liabilities of the Trust, (x) any costs or expenses of the Trust or the Trustee, (y) any taxes (including, to the extent any assets allocable to, or held on account of, Disputed Claims are treated as a disputed ownership fund or other separate taxable entity, any taxes of such fund or separate taxable entity), or (z) any amounts needed to maintain the value of any assets of the Trust.

Avoidance Actions means any and all actual or potential Claims and Causes of Action to avoid a transfer of property or an obligation incurred by the Debtors or their Estates arising under (i) chapter 5 of the Bankruptcy Code, including sections 502(d), 544, 545, 547, 548, 549, 550, 551, or 553(b) of the Bankruptcy Code, or (ii) applicable non-bankruptcy law including any state or foreign law governing fraudulent or otherwise avoidable obligations, transfers or conveyances.

Avoidance Proceeds means any proceeds or property recovered, unencumbered or otherwise, from Avoidance Actions, whether by judgment, settlement or otherwise.

Backstop Parties means, collectively, the holders of DIP A Claims that are members of the Ad Hoc Group SteerCo and sign a backstop commitment letter in connection with the Effective Date.

Ballot means each of the ballots distributed to the holders of Impaired Claims entitled to vote on the Plan.

Bankruptcy Code means title 11 of the United States Code, as amended from time to time, as applicable to the Chapter 11 Cases.

Bankruptcy Court means the United States Bankruptcy Court for the Southern District of Texas, Houston Division having jurisdiction over the Chapter 11 Cases and, to the extent of any reference made under section 157 of title 28 of the United States Code or if the Bankruptcy Court is determined not to have authority to enter a Final Order on an issue, the unit of such District Court having jurisdiction over the Chapter 11 Cases under section 151 of title 28 of the United States Code.

Bankruptcy Rules means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, as amended from time to time, and any local rules of the Bankruptcy Court, in each case as applicable to the Chapter 11 Cases.

Business Day means any calendar day that is not a Saturday, Sunday, or other calendar day on which banks are authorized or required to be closed in New York, New York.

Cash means legal tender of the United States of America.

Cash Management Order means the *Final Order (I) Authorizing Debtors to (A) Continue Using Existing Cash Management System and Bank Accounts, (B) Implement Ordinary Course Changes to Cash Management System, and (C) Honor Certain Related Prepetition Obligations, (II) Granting Administrative Expense Priority for Postpetition Intercompany Claims, (III) Extending Time to Comply with Requirements of 11 U.S.C. § 345(b), and (IV) Granting Related Relief* (Docket No. 604).

Cause of Action means any action, claim, cross-claim, third-party claim, cause of action, controversy, dispute, demand, right, Lien, indemnity, contribution, recoupment right, guaranty, suit, obligation, liability, loss, debt, fee or expense, damage, interest, judgment, cost, account, defense, remedy, offset, power, privilege, proceeding, reimbursement claim, license, and franchise of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, asserted or unasserted, accrued or unaccrued, assertable directly or derivatively (including on a theory of veil piercing, alter-ego, vicarious liability, predecessor liability, successor liability, mere continuation, domination and control, mere instrumentality, inadequate capitalization, single business enterprise or common enterprise, equitable subordination or

recharacterization), whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory (including under any state or federal securities laws), and whether arising under federal law, state statutory law, common law, or any other applicable international or domestic law, rule, statute, regulation, treaty, right, duty, requirement, or otherwise, including but not limited to any and all rights of a Debtor, Debtor-in-possession, Wind Down Administrator, or Trustee to assert rights to extend time under 11 U.S.C. § 108. For the avoidance of doubt, "Cause of Action" includes (i) any right of setoff, counterclaim, or recoupment and any claim for breach of contract or for breach of duties imposed by law or in equity; (ii) the right to object to Claims or Interests; (iii) any claim pursuant to section 362 of the Bankruptcy Code; (iv) any claim or defense, including fraud, mistake, duress, and usury and any other defenses set forth in section 558 of the Bankruptcy Code; and (v) any Avoidance Actions.

Challenge Period has the meaning set forth in the DIP Order.

Chapter 11 Case means, with respect to a Debtor, such Debtor's case under chapter 11 of the Bankruptcy Code commenced in the Bankruptcy Court, jointly administered with all other Debtors' cases under chapter 11 of the Bankruptcy Code.

Claim means a "claim," as defined in section 101(5) of the Bankruptcy Code.

Claims and Noticing Agent means Kroll Restructuring Administration LLC, the claims, noticing, and solicitation agent retained by the Debtors.

Claims Register means the official register of Claims maintained by the Claims and Noticing Agent in the Chapter 11 Cases.

Class means any group of Claims or Interests classified under the Plan pursuant to section 1122(a) of the Bankruptcy Code.

Class 1 Litigation Trust Interests means the beneficial interests in the Litigation Trust granted to the Litigation Trust Funding Contributors.

Class 2 Litigation Trust Interests means the beneficial interests in the Litigation Trust granted to holders of Allowed DIP A Claims.

Class 3 Litigation Trust Interests means, collectively, the (i) Class 3(a) Litigation Trust Interests, (ii) Class 3(b) Litigation Trust Interests, and (iii) Class 3(c) Litigation Trust Interests.

Class 3(a) Litigation Trust Interests means the beneficial interests in the Litigation Trust granted to the holders of Allowed Roll-Up Claims.

Class 3(b) Litigation Trust Interests means the beneficial interests in the Litigation Trust granted to the GUC Ombudsman as agent to the holders of Electing Creditor Claims.

Class 3(c) Litigation Trust Interests means the beneficial interests in the Litigation Trust granted to the holders of Allowed First Lien Claims and/or Allowed Second Lien Claims.

Class 1 DIP Collateral Trust Interests means the beneficial interests in the DIP Collateral Trust granted to the DIP Collateral Funding Parties (as defined in the DIP Collateral Trust Agreement).

Class 2 DIP Collateral Trust Interests means the beneficial interests in the DIP Collateral Trust granted to holders of Allowed DIP A Claims.

Class 3 DIP Collateral Trust Interests means the beneficial interests in the DIP Collateral Trust granted to holders of Allowed Roll-Up Claims.

Confirmation Date means the date on which the Bankruptcy Court enters the Confirmation Order.

Confirmation Hearing means the hearing held by the Bankruptcy Court regarding approval of the Disclosure Statement and confirmation of the Plan, as such hearing may be adjourned or continued from time to time.

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

Contracts Procedure Order means the *Order (I) Approving Procedures to (A) Assume or Assume and Assign or (B) Reject, Unexpired Leases and Executory Contracts, (II) Approving Abandonment of Property in Connection with Rejection of Unexpired Leases, and (III) Granting Related Relief* (Docket No. 1244).

Converting Debtor means any Debtor, upon the conversion of its Chapter 11 Case to a proceeding under chapter 7 of the Bankruptcy Code.

Credit Bid Claims means the sum of the amount of Claims retired pursuant to the Estate Claims Credit Bid, *plus* the sum of the amount of Claims retired pursuant to the DIP Collateral Credit Bid.

Creditors' Committee means the official committee of unsecured creditors appointed by the U.S. Trustee in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code, as set forth in the *United States Trustee's Notice of Appointment of Official Committee of Unsecured Creditors* (Docket No. 313) filed on October 9, 2025, as reconstituted from time to time.

D&O Policy means all directors and officers liability insurance policies (including any runoff policies or tail policies related to or associated with the foregoing) issued or providing coverage at any time to any of the Debtors, for current or former directors', managers', and officers' liability and all agreements, documents, or instruments relating thereto.

Debtor(s) has the meaning set forth in the introductory paragraph of the Plan.

Definitive Documents means the documents (including any related orders, agreements, instruments, schedules or exhibits) that are necessary or desirable to implement, or otherwise relate to, the Plan, including, but not limited to: (i) the Plan; (ii) the Disclosure

Statement; (iii) the motion seeking approval of the adequacy of the Disclosure Statement and solicitation of the Plan; (iv) the Disclosure Statement Order; (v) each of the documents comprising the Plan Supplement; (vi) the Confirmation Order; (vii) the Plan Support Agreement, including any term sheets or ancillary agreements appended thereto; (viii) the ABL Collateral Trust Agreement; (ix) the DIP Collateral Trust Agreement; (x) the Litigation Trust Agreement; (xi) the Direct Claims Trust Agreement; (xii) the DIP Collateral Credit Bid APA; and (xiii) the Estate Claims Credit Bid APA.

DIP A Claims means all Claims (including all Secured Obligations (as defined in the DIP Credit Agreement), accrued and unpaid interest, fees, charges, expenses, other amounts, and/or deficiency Claims) held by a DIP Lender arising from the DIP Credit Agreement or any other Loan Document (as defined in the DIP Credit Agreement) and the DIP Order on account of the New Money DIP Loans as of the Effective Date.

DIP Claims means, collectively, the DIP A Claims and Roll-Up Claims.

DIP Collateral has the meaning set forth in the DIP Order.

DIP Collateral Credit Bid means a credit bid and equivalent release of the DIP Loan Parties of the Allowed DIP A Claims in the amount of $[_] in consideration of the sale of the DIP Collateral Trust Assets to the Plan Debtor and subsequent transfer of such assets to the Litigation Trust.

DIP Collateral Credit Bid APA means the purchase and sale agreement providing for, among other things, the sale of the DIP Collateral Assets to the Plan Debtor and subsequent transfer of such assets to the Litigation Trust.

DIP Collateral Credit Bid Transaction means the sale of the DIP Collateral Trust Assets to the Plan Debtor and subsequent transfer of such assets to the Litigation Trust pursuant to the DIP Collateral Credit Bid APA in accordance with Section 5.2(f) of the Plan.

DIP Collateral Trust means that certain liquidating trust to be established in accordance with ARTICLE VI of the Plan to hold, transfer, sell, monetize, or abandon the DIP Collateral Trust Assets and make distributions to the DIP Collateral Trust Beneficiaries in accordance with the DIP Collateral Trust Agreement and the Plan.

DIP Collateral Trust Agreement means the agreement evidencing the terms and provisions governing the DIP Collateral Trust, establishing the terms and conditions of the DIP Collateral Trust, the rights of, and limitations on, the DIP Collateral Trust Interests, and pursuant to which the DIP Collateral Trustee shall manage and administer the DIP Collateral Trust Assets.

DIP Collateral Trust Assets means all DIP Collateral, other than the Litigation Trust Assets and the ABL Collateral Trust Assets, for which, on the date the DIP Collateral Trust is established, (i) no bona fide dispute exists as to whether the DIP Secured Parties have a validly perfected Lien in such collateral, senior in lien priority to the liens securing the ABL Claims, or (ii) if such a bona fide dispute exists, it is subsequently determined by a court of competent jurisdiction pursuant to a Final Order or settlement that the DIP Secured Parties have a validly perfected, first-priority Lien in such collateral. The DIP Collateral Trust Assets shall include any

DIP SPV Collateral Trust Recoveries. The DIP Collateral Trust Assets will be identified in a schedule to be filed as part of the Plan Supplement.

DIP Collateral Trust Beneficiaries means the holders of the DIP Collateral Trust Interests.

DIP Collateral Trust Interests means collectively, the (i) Class 1 DIP Collateral Trust Interests, (ii) Class 2 DIP Collateral Trust Interests, and (iii) Class 3 DIP Collateral Trust Interests.

DIP Collateral Trust Waterfall means the method for distributing the DIP Collateral Trust Assets, net of expenses, as will be set forth in the DIP Collateral Trust Agreement.

DIP Collateral Trustee means the trustee for the DIP Collateral Trust. The identity of the initial DIP Collateral Trustee will be disclosed in the Plan Supplement.

DIP Credit Agreement means that certain *Senior Secured Superpriority Debtor-in-Possession Credit Agreement*, dated as of October 2, 2025 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time), by and among (i) First Brands Group, LLC, as Borrower and Debtor and Debtor-in-Possession, (ii) First Brands Group Intermediate, LLC, as Parent and a Debtor and Debtor-in-Possession, (iii) the lenders party thereto, (iv) Wilmington Savings Fund Society, FSB, as Administrative Agent and Collateral Agent, and (v) OPY Credit Corp., as Trading Agent.

DIP Documents has the meaning set forth in the DIP Order.

DIP Loan Parties has the meaning set forth in the DIP Order.

DIP Obligations has the meaning set forth in the DIP Order.

DIP Order means the *Final Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, (B) Use Cash Collateral, and (C) Grant Liens and Provide Superpriority Administrative Expense Claims; (II) Granting Adequate Protection to Prepetition Secured Parties; (III) Modifying the Automatic Stay; and (IV) Granting Related Relief* (Docket No. 608).

DIP Secured Parties has the meaning set forth in the DIP Order.

DIP SPV Collateral Trust Recoveries means any DIP SPV Recovery that arises out of litigation involving a Lien or ownership dispute over tangible property (including, among others, disputes with Onset Financial, Inc. regarding interests in machinery and equipment) that would otherwise constitute a DIP Collateral Trust Asset.

DIP SPV Recoveries means any recoveries on account of any Lien asserted by the DIP Secured Parties in any assets owned by an SPV Debtor pursuant to the DIP Order or any adequate protection stipulation entered into with an SPV Lender.

Direct Claims Trust means that certain liquidating trust to be established in accordance with ARTICLE IX of the Plan to hold, transfer, sell, monetize, or abandon the Direct Claims Trust Assets and make distributions to the Direct Claims Trust Beneficiaries in accordance with the Direct Claims Trust Agreement.

Direct Claims Trust Agreement means the agreement evidencing the terms and provisions governing the Direct Claims Trust, establishing the terms and conditions of the Direct Claims Trust, the rights of, and limitations on, the Direct Claims Trust Interests, and pursuant to which the Direct Claims Trustee shall manage and administer the Direct Claims Trust Assets.

Direct Claims Trust Assets means the Direct Creditor Claims of Direct Claims Trust Electing Creditors.

Direct Claims Trust Beneficiaries means the holders of the Direct Claims Trust Interests.

Direct Claims Trust Electing Creditor means any Eligible Creditor or holder of a Roll-Up Claim, First Lien Claim, and/or Second Lien Claim who timely elects on the Direct Claims Trust Election Form to contribute its Direct Creditor Claims to the Direct Claims Trust.

Direct Claims Trust Election Form means the form, approved under the Disclosure Statement Order, sent to Eligible Creditors and holders of Roll-Up Claims, First Lien Claims, and/or Second Lien Claims, pursuant to which such holders may opt in to (i) contributing their Direct Creditor Claims to the Direct Claims Trust in exchange for Direct Claim Trust Interests and (ii) granting the releases contained in Section 14.5 of the Plan.

Direct Claims Trust Interests means the beneficial interests in the Direct Claims Trust granted to the Direct Claims Trust Electing Creditors.

Direct Claims Trustee means the trustee for the Direct Claims Trust. The identity of the initial Direct Claims Trustee will be disclosed in the Plan Supplement.

Direct Creditor Claims means the direct (non-derivative) Claims held by Direct Claims Electing Creditors (i) against any non-Debtor Person (other than a Released Party) and (ii) that relate to the Debtors' prepetition operations. For the avoidance of doubt, Direct Creditor Claims shall not include (a) any Estate Claims, (b) Claims that are duplicative of Estate Claims, or (c) Claims that are plead as direct Claims but in substance are Estate Claims.

Disbursing Agent means the Trustees or such Entity or Entities designated by a Trustee to make or facilitate distributions required by the Plan and, in the case of Electing Creditor Claims, the GUC Ombudsman.

Disclosure Statement means the disclosure statement in respect of the Plan, including all exhibits and schedules thereto, as may be amended, supplemented, or otherwise modified from time to time, and which is prepared and distributed in accordance with sections 1125, 1126(b), and 1145 of the Bankruptcy Code and Bankruptcy Rules 3016 and 3018.

Disclosure Statement Order means the order entered by the Bankruptcy Court (i) conditionally approving the Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code; and (ii) authorizing solicitation of the Plan.

Disputed means, with respect to a Claim, (i) any Claim that is disputed under ARTICLE XI of the Plan or as to which the Debtors or any party in interest have interposed and not withdrawn an objection or request for estimation that has not been determined by a Final Order; (ii) any Claim, proof of which was required to be filed by order of the Bankruptcy Court but as to which a proof of Claim was not timely or properly filed; (iii) any Claim that is listed in the Schedules as unliquidated, contingent or disputed, and as to which no request for payment or proof of Claim has been filed; or (iv) any Claim that is otherwise disputed by the Debtors, the Wind Down Administrator, or any party in interest in accordance with applicable law or contract, which dispute has not been withdrawn, resolved or overruled by a Final Order. To the extent the Plan Debtor, Wind Down Administrator, or any party in interest disputes the amount of an asserted Claim, such Claim shall be deemed Allowed in the amount that is not disputed, if any, and a Disputed Claim as to the balance of such Claim.

Disputed Alester IP means all assets, including intellectual property, covered by the Alester Agreements.

Disputed Claim Reserve means any assets of the Plan Debtor, ABL Collateral Trust Assets, DIP Collateral Trust Assets, or Litigation Trust Assets allocable to, or held on account of, Disputed Claims, including one or more reserve accounts to be funded with Cash and/or proceeds of such assets, as applicable, in accordance with the terms of the Plan.

Distribution Record Date means the Effective Date.

Effective Date means the date that is the first Business Day on which all conditions to the effectiveness of the Plan set forth in Section 13.1 of the Plan have been satisfied or waived in accordance with Section 13.2 of the Plan.

Electing Creditor means any Eligible Creditor who (i) timely elects on the Global Settlement Election Form to share in the distributions to the holders of Class 3(b) Litigation Trust Interests in accordance with the Litigation Trust Waterfall; and (ii) is not an Ineligible Creditor.

Electing Creditor Claims means the Administrative Expense Claims, Other Secured Claims, Priority Tax Claims, Other Priority Claims, and General Unsecured Claims against one or more of the FBG Debtors (other than the Plan Debtor) held by Electing Creditors. Any Electing Creditor Claims arising out of a Claim against an FBG Debtor for which one or more other FBG Debtors have joint and several liability shall be treated as a single Electing Creditor Claim for purposes of receiving Class 3(b) Litigation Trust Interests and receiving distributions from the Litigation Trust.

Eligible Creditor means any holder of an Administrative Expense Claim, Other Secured Claim, Priority Tax Claim, Other Priority Claim, or General Unsecured Claim against one or more of the FBG Debtors (other than the Plan Debtor), as of the Voting Record Date.

Emergence Steps Memo means a memorandum, to be included in the Plan Supplement, describing the steps necessary to implement the Plan.

Entity has the meaning set forth in section 101(15) of the Bankruptcy Code.

Estate(s) means individually or collectively, the estate or estates of the Debtors created under section 541 of the Bankruptcy Code.

Estate Claims means any and all claims and/or remedies that are held or controlled by, or which were or could have been asserted by, the FBG Debtors or their Estates, in each case on behalf of themselves and their respective successors, assigns, any Estate representative(s) appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, and any and all other Entities that may purport to assert any Claim or Cause of Action derivatively by or through any of the foregoing Entities, against any Person, seeking relief or recovery arising from harm to any FBG Debtor, any FBG Debtor's Estate, or the FBG Debtors' creditors taken as a whole, based on any legal theory including, without limitation, such claims and/or remedies under federal or state law, statutory or common law, in equity or otherwise, arising out of or in any way related to (i) the FBG Debtors; (ii) the Chapter 11 Cases; (iii) the Estates; and/or (iv) the ownership, management, operation, status, tenure, conduct, omission, action or inaction at any time of a stockholder, affiliate, owner, partner, member, manager, director, officer, employee, servant, agent, representative, attorney, creditor, successor, assign or other relationship with a FBG Debtor and/or any of its predecessors, in each case, including, without limitation, such claims and/or remedies that are actions, causes of action, lawsuits, suits, claims, counterclaims, cross-claims, liabilities, interests, judgments, obligations, rights, demands, debts, damages, losses, grievances, promises, remedies, liens, attachments, garnishments, prejudgment and post-judgment interest, costs and expenses (including attorneys' fees and costs incurred or to be incurred), including unknown Claims to the maximum extent allowed under the law, whether pled or unpled, fixed or contingent, choate or inchoate, matured or unmatured, foreseen or unforeseen, accrued or unaccrued, past, present or future, for fraudulent transfer, fraudulent conveyance, preference, turnover, breach of fiduciary duty, negligence, gross negligence, mismanagement, civil conspiracy, RICO, aiding and abetting, unjust enrichment, constructive trust, equitable subordination, equitable disallowance, agency, joint venture, alter ego, corporate veil piercing, successor liability, and all other such claims and/or remedies, Recovery Actions, Recovery Action Proceeds, Avoidance Actions, and Avoidance Proceeds, including, for the avoidance of doubt, any Disputed Alester IP recovered from an Avoidance Action of an FBG Debtor. For the avoidance of doubt, Estate Claims shall not include any claims and/or remedies that are held by an SPV Debtor.

Estate Claims Credit Bid means a credit bid and equivalent release of the DIP Loan Parties of the Allowed DIP A Claims in the amount of $[_] in consideration of the sale of the Litigation Trust Assets to the Plan Debtor, as agent and/or on behalf of the holders of Allowed DIP A Claims, and subsequent transfer of such assets to the Litigation Trust.

Estate Claims Credit Bid APA means the purchase and sale agreement providing for, among other things, the sale of the Litigation Trust Assets to the Plan Debtor, and subsequent transfer of such assets to the Litigation Trust.

Estate Claims Credit Bid Transaction means the sale of the Litigation Trust Assets to the Plan Debtor, as agent and/or on behalf of the holders of Allowed DIP A Claims, and subsequent transfer to the Litigation Trust pursuant to the Estate Claims Credit Bid APA in accordance with Section 5.2(e) of the Plan.

Examiner means Martin De Luca, in his capacity as examiner, appointed pursuant to the *Order Approving the Appointment of Examiner* (Docket No. 1260).

Examiner Account means the segregated bank account established by the Debtors to hold amounts that are exclusively available for the payment of fees and expenses of the Examiner and his professionals.

Exculpated Parties means each of the following in their capacity as such, and in each case, to the maximum extent permitted by law: (i) the FBG Debtors; (ii) the members of the Special Committees; and (iii) the Creditors' Committee and each of its members in their official capacity.

Factor means any Person that purchased, or intended or agreed to purchase, accounts receivable at a discount from one or more FBG Debtors, and as identified in an exhibit to the Litigation Trust Agreement.

Factored Receivables Account has the meaning set forth in the Cash Management Order.

FBG Debtors means First Brands Group Holdings, LLC, its Debtor subsidiaries, and Viceroy.

Final Order means an order or judgment of a court of competent jurisdiction that has been entered on the docket maintained by the clerk of such court, which has not been reversed, vacated, or stayed and as to which (i) the time to appeal, petition for *certiorari*, or move for a new trial, reargument, or rehearing has expired and as to which no appeal, petition for *certiorari*, or other proceedings for a new trial, reargument, or rehearing shall then be pending, or (ii) if an appeal, writ of *certiorari*, new trial, reargument, or rehearing thereof has been sought, such order or judgment shall have been affirmed by the highest court to which such order was appealed, or *certiorari* shall have been denied, or a new trial, reargument, or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for *certiorari*, or move for a new trial, reargument, or rehearing shall have expired. However, notwithstanding anything herein to the contrary, no order or judgment shall fail to be a "Final Order" solely because of the possibility that a motion under Rules 59 or 60 of the Federal Rules of Civil Procedure or any analogous rule under the Bankruptcy Rules (or any analogous rules applicable in another court of competent jurisdiction) or sections 502(j) or 1144 of the Bankruptcy Code has been or may be filed with respect to such order or judgment.

Final Return Threshold has the meaning set forth in the Section 6.3 of the Plan.

First Lien Claims means, collectively, the First Lien Term Loan Claims and the Side-Car Term Loan Claims.

First Lien Secured Parties has the meaning set forth in the DIP Order.

First Lien Term Loan Agreement means that certain *First Lien Term Loan Agreement*, dated as of February 2, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time), by and among (i) First Brands Group, LLC, (ii) First Brands Intermediate, LLC, (iii) Jefferies Finance LLC (later replaced by Wilmington Savings Fund Society, FSB), as administrative agent and collateral agent, and (iv) the lenders and letter of credit issuers from time to time party thereto.

First Lien Term Loan Claims means all Claims (including all accrued and unpaid interest, fees, charges, expense, other amounts, and/or deficiency Claims) through the Effective Date arising from the First Lien Term Loan Agreement and the DIP Order relating to the First Lien Term Loan Agreement.

First Return Threshold has the meaning set forth in the Section 6.3 of the Plan.

General Unsecured Claim means any Claim (other than an Intercompany Claim) that is neither secured by collateral nor entitled to priority under the Bankruptcy Code or any Final Order of the Bankruptcy Court.

Global Settlement means the settlement among the FBG Debtors, the Ad Hoc Group, and the Creditors' Committee, the terms of which are incorporated in Section 5.2 of the Plan.

Global Settlement Election Form means the form, approved under the Disclosure Statement Order, sent to Eligible Creditors, pursuant to which such holders may opt out of (i) being treated as Electing Creditors and share in the distributions to the holders of the Class 3(b) Litigation Trust Interests in accordance with the Litigation Trust Waterfall and (ii) granting the releases contained in Section 14.5 of the Plan.

Governmental Unit has the meaning set forth in section 101(27) of the Bankruptcy Code.

GUC Ombudsman means a representative selected by the Ad Hoc Group and Creditors' Committee that shall have the duties and responsibilities described in Section 5.2(k) hereof. The identity of the GUC Ombudsman will be disclosed in the Plan Supplement.

Horizon Alester Agreement means that certain *Contribution Agreement*, dated February 8, 2023, by and between Horizon Global Corporation and Alester Technologies, LLC.

Horizon Alester IP means all assets, including intellectual property, covered by the Horizon Alester Agreement.

Impaired means, with respect to a Claim, Interest, or Class of Claims or Interests, "impaired" within the meaning of sections 1123(a)(4) and 1124 of the Bankruptcy Code.

Indemnification Obligations means a Debtor's indemnification obligations in place immediately prior to the Effective Date, whether in the bylaws, certificates of incorporation

or formation, limited liability company agreements, other organizational or formation documents, board resolutions, management or indemnification agreements, or employment or other contracts, or otherwise, for the directors, managers, and officers that are currently employed by, or serving on the board of managers of, such Debtor, as of the date immediately prior to the Effective Date, and the attorneys, accountants, investment bankers, and other Professionals that are retained by such Debtor as of the date immediately prior to the Effective Date.

Independent Manager Policies means the primary and excess D&O Policies issued to Mayfair Enterprises, LLC, as named insured, that have a policy period of September 26, 2025 to September 26, 2026 and are numbered: (i) XDO000165-0925 (issued by Convex North American Insurance Services, Inc.), (ii) AMB06760 (issued by Ambridge Partners LLC), (iii) EQ5EX00296-251 (issued by Everest National Insurance Company), (iv) 100625436251 (issued by Starr Indemnity & Liability Company), (v) 833891932 (issued by Continental Casualty Company), (vi) CRDO-0000058-00 (issued by Celerity Risk), (vi) B1976DO00007206 (issued by Lloyds Syndicate BEAT 4242), and (vii) ELU206779-25 (issued by XL Specialty Insurance Company).

Ineligible Creditors means, (i) in accordance with section 502(d) of the Bankruptcy Code, (a) any defendants named or to be named in the James Complaint or Onset Complaint, or (b) any Person that engaged in Adverse Conduct; (ii) any SPV Lender; (iii) the ABL Secured Parties; and (iv) the Converting Debtors.

Insurance Company means all Persons that issued, or that have any actual, potential, demonstrated, or alleged liabilities, duties, or obligations under, or with respect to, any Insurance Policy, and any third party administrator, parent, subsidiary, affiliate, successor, predecessor, or assign of any of the foregoing, solely in their capacity as such with respect to an Insurance Policy.

Insurance Policies means any insurance policies, insurance contracts, binders, certificates, or reinsurance policies, whether currently known or unknown, issued to or that provides or may provide coverage (whether as the primary or additional insured or otherwise) at any time to any of the Debtors or any of their predecessors or subsidiaries, or under which any of the foregoing have sought or may seek such coverage, including, but not limited, to any such policies for directors' and officers' liability, general liability, workers' compensation, any excess or umbrella policies, and all agreements, documents, or instruments relating thereto.

Insurance Rights means any and all rights, titles, privileges, interests, claims, demands, or entitlements of the Debtors to any proceeds, payments, benefits, Causes of Action, choses in action, defense or indemnity arising under, or attributable to, any and all Insurance Policies now existing or hereafter arising, accrued or unaccrued, liquidated or unliquidated, matured or unmatured, disputed or undisputed, fixed or contingent, including: (i) any Insurance Company's failure to provide coverage or otherwise pay under an Insurance Policy; (ii) the refusal of any Insurance Company to compromise and settle any claim or provide defense to any claim; (iii) the interpretation or enforcement of the terms of any Insurance Policy with respect to any Claim; (iv) any conduct by any Insurance Company constituting "bad faith" conduct or that could otherwise give rise to extra-contractual damages, or other wrongful conduct under applicable law; or (v) any right to receive proceeds with respect to any Insurance Policy or a coverage action.

Intercompany Claim means any Claim held by a Debtor against another Debtor arising before the Petition Date.

Interest means any common stock, limited liability company interest, equity security (as defined in section 101(16) of the Bankruptcy Code), equity, ownership, profit interests, unit, or share in a Debtor (including all options, warrants, rights, or other securities or agreements to obtain such an interest or share in such Debtor), whether or not arising under or in connection with any employment agreement and whether or not certificated, transferable, preferred, common, voting, or denominated "*stock*" or a similar security, including any Claim against a Debtor subject to subordination pursuant to section 510(b) of the Bankruptcy Code arising from or related to any of the foregoing.

Interim Compensation Procedures Order means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* (Docket No. 699), as may be amended, modified, or supplemented from time to time.

International Emergency Economic Powers Act means sections 1701–1708 of title 50 to the United States Code, as may have been amended from time to time.

IRS means the United States Internal Revenue Service.

James Complaint means the adversary proceedings against Patrick James et al. (Adv. Pro. Case No. 25-03803).

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

Litigation List has the meaning set forth in Section 6.8(b) of the Plan.

Litigation SPV Trust Recoveries means any DIP SPV Recovery that is not a DIP SPV Collateral Trust Recovery.

Litigation Trust means that certain liquidating trust to be established in accordance with ARTICLE VI of the Plan to hold the Litigation Trust Assets and make distributions to the Litigation Trust Beneficiaries in accordance with the Litigation Trust Agreement.

Litigation Trust Agreement means the agreement evidencing the terms and provisions governing the Litigation Trust, establishing the terms and conditions of the Litigation Trust, the Litigation Trust Funding Commitments, the rights of, and limitations on, the Litigation Trust Interests, and pursuant to which the Litigation Trustee shall manage and administer the Litigation Trust Assets.

Litigation Trust Assets means, as of the date the Litigation Trust is established, (i) $25,000,000 in Cash from the FBG Debtors' balance sheet; (ii) all Estate Claims; (iii) all rights, privileges, and defenses of the FBG Debtors relating to the Estate Claims; (iv) all Insurance Rights of the FBG Debtors with respect to Insurance Policies that provide or may provide coverage for the Estate Claims, including for the avoidance of doubt, the D&O Policies; (v) all books, records, and investigative and/or discovery findings of the FBG Debtors, including to the extent such records are owned or controlled by advisors to the FBG Debtors, any independent director or

manager of the FBG Debtors, the Examiner and the advisors thereto, and the advisors to the Creditors' Committee; *provided* that (i) the Debtors' Professionals, (ii) any independent director or manager of the FBG Debtors, (iii) the Examiner and the advisors thereto, and (iv) the Creditors' Committee's Professionals shall not be required to turnover any work product and communications but each such professional, in its sole discretion, may compile (in a digest or other appropriate format) its material findings, information, and records and provide the Litigation Trust with such compilation and/or enter into common interest or other agreements sufficient to facilitate the turnover of any work product or communications; (vi) all Litigation SPV Trust Recoveries; (vii) all assets or other interests in property made payable to or otherwise acquired by any of the FBG Debtors (or their Estates) as a result of any government enforcement action, including as a result of any forfeiture proceeding, order of restitution, or governmental settlement agreement.

Litigation Trust Beneficiaries means the holders of the Litigation Trust Interests.

Litigation Trust Funding Agreement means any agreement pursuant to which a Litigation Trust Funding Contributor contributes or commits to contribute Cash or other property to the Litigation Trust in exchange for the applicable Litigation Trust Interests applicable to such Litigation Trust Funding Contributor.

Litigation Trust Funding Commitments means $50,000,000 of Cash contributions provided to the Litigation Trust pursuant to the terms of the Litigation Trust Agreement or any Litigation Trust Funding Agreement.

Litigation Trust Funding Contributions means the funding under the Litigation Trust Funding Commitments.

Litigation Trust Funding Contributors means holders of Allowed DIP A Claims that choose to participate in the Litigation Trust Funding Commitments pursuant to the terms of the Litigation Trust Agreement.

Litigation Trust Interests means, collectively, the (i) Class 1 Litigation Trust Interests, (ii) Class 2 Litigation Trust Interests, and (iii) Class 3 Litigation Trust Interests.

Litigation Trust Oversight Committee has the meaning set forth in the Litigation Trust Agreement and initially shall be comprised of four (4) members. The identity of the initial members of the Litigation Trust Oversight Committee will be disclosed in the Plan Supplement.

Litigation Trust Waterfall means the method for making distributions to the holders of Litigation Trust Interests in accordance with the priorities set forth in Section 6.3 of the Plan and the Litigation Trust Agreement.

Litigation Trustee means the person or institution to be identified in the Plan Supplement, as trustee for the Litigation Trust.

Major Decision shall have the meaning set forth in the Litigation Trust Agreement.

New Money DIP Loans has the meaning set forth in the DIP Order.

Onset Complaint means the adversary proceedings against Onset Financial, Inc. et al. (Adv. Pro. Case No. 26-03005).

Other Priority Claim means any Claim entitled to priority of payment under section 507(a) of the Bankruptcy Code, other than an Administrative Expense Claim or a Priority Tax Claim.

Other Secured Claim means any Secured Claim, other than an Administrative Expense Claim, a DIP A Claim, a Roll-Up Claim, a First Lien Claim, a Second Lien Claim, an ABL Claim, or a Priority Tax Claim.

Parent Guarantors has the meaning set forth in the DIP Order.

Person means any individual, corporation, partnership, joint venture, association, joint stock company, limited liability company, limited partnership, trust, estate, unincorporated organization, Governmental Unit, or other Entity.

Petition Date means September 29, 2025.

Plan means this chapter 11 plan, including all exhibits, annexes, supplements, and schedules hereto (including the Plan Supplement), as may be amended, supplemented, or modified from time to time in accordance with the Bankruptcy Code and the terms of the Plan.

Plan Debtor has the meaning set forth in the introductory paragraph of the Plan.

Plan Debtor Interests means any Interests in the Plan Debtor.

Plan Supplement means a supplemental appendix to the Plan, containing certain documents and forms of documents, schedules, and exhibits relevant to the implementation of the Plan, as may be amended, modified, or supplemented from time to time in accordance with the terms the Plan, the Bankruptcy Code, and the Bankruptcy Rules, which may include: (i) the Schedule of Retained Causes of Action; (ii) the disclosure of the identity of the Wind Down Administrator; (iii) the Wind Down Budget; (iv) the disclosure of the identity of the GUC Ombudsman; (v) the disclosure of the identity of the Litigation Trustee; (vi) the disclosure of the identity of the initial members of the Litigation Trust Oversight Committee; (vii) the Litigation Trust Agreement and any Litigation Trust Funding Agreement; (viii) a schedule of the Litigation Trust Assets; (ix) the Estate Credit Bid APA; (x) the Litigation List; (xi) the disclosure of the identity of the DIP Collateral Trustee; (xii) the DIP Collateral Trust Agreement; (xiii) a schedule of the DIP Collateral Trust Assets; (xiv) the DIP Collateral Credit Bid APA; (xv) the disclosure of the identity of the ABL Collateral Trustee; (xvi) the ABL Collateral Trust Agreement; (xvii) a schedule of the ABL Collateral Trust Assets; (xviii) the Direct Claims Trust Agreement; (xix) the disclosure of the identity of the Direct Claims Trustee; (xx) the Emergence Steps Memo; (xxi) a non-exhaustive schedule listing Persons who are not Released Parties or Representatives under the Plan; and (xxii) any other agreement, instrument, schedule, exhibit, or document designated by the Plan Debtor (with the consent of the Required Consenting Lenders and the Creditors' Committee (such consent not to be unreasonably withheld, conditioned, or delayed)) as a Plan Supplement document. Through the Effective Date, the Plan Debtor shall have the right to amend any

schedules, exhibits, or amendments to any of the documents contained in, and exhibits to, the Plan Supplement.

Plan Support Agreement means that certain *Plan Support Agreement*, dated as of April [●], 2026, by and among (i) the FBG Debtors, (ii) certain holders of DIP A Claims, Roll-Up Claims, First Lien Claims and/or Second Lien Claims, and (iii) the Creditors' Committee, as may be amended, supplemented, or otherwise modified from time to time.

Preference Actions means all Causes of Action arising under section 547 of the Bankruptcy Code.

Prepetition Collateral has the meaning set forth in the DIP Order.

Prepetition Secured Parties has the meaning set forth in the DIP Order.

Priority Tax Claim means any Claim held by a Governmental Unit of the kind entitled to priority of payment as specified in sections 502(i) and 507(a)(8) of the Bankruptcy Code.

Pro Rata Share means (i) that proportion that an Allowed Claim in a particular Class bears to the aggregate amount of Allowed Claims in that Class; (ii) that proportion that Allowed Claims in a particular Class bears to the aggregate amount of Allowed Claims in multiple Classes, as applicable; and (iii) with respect to the distribution of the Class 3(b) Litigation Trust Interests in accordance with the Plan, that portion that an Allowed General Unsecured Claim against the Plan Debtor or accepted Electing Creditor Claim bears to the aggregate amount of Allowed General Unsecured Claims and accepted Electing Creditor Claims.

Professional means any Person retained by order of the Bankruptcy Court in connection with these Chapter 11 Cases pursuant to sections 327, 328, 330, 331, 363, or 503(b) of the Bankruptcy Code, excluding any ordinary course professional retained pursuant to an order of the Bankruptcy Court and the Examiner and advisers thereto.

Professional Fee Claim means a Claim for fees and expenses incurred by a Professional on or after the Petition Date through the Effective Date.

Professional Fees Escrow Account has the meaning set forth in the DIP Order.

Proof of Claim means a proof of Claim filed against the Plan Debtor in the Chapter 11 Cases.

Recovery Actions has the meaning set forth in the DIP Order.

Recovery Action Proceeds has the meaning set forth in the DIP Order.

Reinstate, Reinstated, or Reinstatement means, with respect to Claims and Interests, the treatment provided for in section 1124(2) of the Bankruptcy Code.

Released Parties means collectively, and in each case solely in their capacities as such, (i) the Plan Debtor and its Estate; (ii) the members of the Special Committees (including any subcommittees thereof); (iii) the Specified Executives; (iv) the Professionals; (v) each of the following, solely in their capacity as such, (a) the Creditors' Committee and each of its members, (b) the DIP Secured Parties, (c) the Prepetition Secured Parties, (d) the Backstop Parties, (e) the Litigation Trust Contributors, (f) the DIP Collateral Funding Parties, and (g) solely with respect to each of the foregoing Persons in clauses (b) and (f), their Representatives; *provided* that, notwithstanding anything in the Plan to the contrary, no Specified Non-Released Party shall be a Released Party; *provided further* that any Person that does not opt in to granting the releases set forth in the Plan shall not be a Released Party.

Releasing Parties means, collectively: (i) the holders of all Claims that vote to accept the Plan; (ii) the holders of all Claims that are presumed to accept the Plan and opt in to granting the releases set forth in the Plan; (iii) the holders of all Claims that vote to reject the Plan, but opt in to granting the releases set forth in the Plan; (iv) the holders of all Claims whose vote to accept or reject the Plan is solicited but that do not vote either to accept or reject the Plan, but opt in to granting the releases set forth in the Plan; (v) the holders of all Claims that receive the Global Settlement Election Form and do not opt out of being treated as Electing Creditors and granting the releases set forth in the Plan; and (vi) the holders of all Claims that receive the Direct Claims Trust Election Form and opt in to being treated as Direct Claims Trust Electing Creditors and granting the releases set forth in the Plan.

Representative means, with respect to any Entity, such Entity's outside attorneys, accountants, investment bankers, consultants, professional advisors, independent auditors, trustees, fund advisors, investment managers, investment advisors, sub-advisors, sub-managers, and other professionals, and each of their respective current and former officers, directors, principals, equity holders (regardless whether such interests are held directly or indirectly), members, partners (including both general and limited partners), managers, employees, agents, and advisory board members, each in their capacity as such.

Required Consenting Lenders has the meaning set forth in the Plan Support Agreement.

Restructuring Expenses means the reasonable, documented, and due and owing fees and out-of-pocket expenses of the advisors to the (i) Ad Hoc Group, and (ii) the DIP Secured Parties, accrued since the inception of their respective engagements and continuing through the implementation of the restructuring transactions and in accordance with their respective engagement letters or fee letters with the Plan Debtor and/or any applicable order of the Bankruptcy Court.

Retained Causes of Action means the Causes of Action retained by the Plan Debtor and transferred to the Litigation Trust, as listed and described in the Schedule of Retained Causes of Action.

Roll-Up Claims means all Claims (including all Secured Obligations (as defined in the DIP Credit Agreement), accrued and unpaid interest, fees, charges, expenses, other amounts, and/or deficiency Claims) arising from the DIP Credit Agreement or any other Loan Document

(as defined in the DIP Credit Agreement) and the DIP Order on account of the Roll-Up Obligations.

Roll-Up Obligations has the meaning set forth in the DIP Order.

Sacred Right shall have the meaning set forth in the Litigation Trust Agreement.

Schedule of Retained Causes of Action means a schedule to be filed as part of the Plan Supplement of Causes of Action to be retained by the Plan Debtor and transferred to the Litigation Trust.

Schedules means the schedules of assets and liabilities, schedules of executory contracts and unexpired leases, and statements of financial affairs filed by the Debtors pursuant to section 521 of the Bankruptcy Code.

Second Lien Claims means all Claims (including all accrued and unpaid interest, fees, charges, expenses, other amounts, and/or deficiency Claims) arising from the Second Lien Term Loan Agreement and the DIP Order relating to the Second Lien Term Loan Agreement.

Second Lien Term Loan Agreement means that certain *Second Lien Term Loan Agreement*, dated as of February 26, 2019 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time), by and among (i) First Brands Group, LLC, (ii) First Brands Intermediate, LLC, (iii) Jefferies Finance LLC (later replaced by Wilmington Savings Fund Society, FSB), as administrative agent and collateral agent, and (iv) the lenders from time to time party thereto.

Second Lien Term Loan Secured Parties has the meaning set forth in the DIP Order.

Second Return Threshold has the meaning set forth in the Section 6.3 of the Plan.

Secured Claim means a Claim (i) secured by a Lien on any Debtor's interest in property to the extent of the value of such interest as (a) set forth in the Plan, (b) agreed to by the holder of such Claim and the Plan Debtor or the Wind Down Administrator, or (c) determined by a Final Order in accordance with section 506(a) of the Bankruptcy Code; or (ii) secured by the amount of any right of setoff of the holder thereof in accordance with section 553 of the Bankruptcy Code.

Securities Act means the Securities Act of 1933, as amended.

Security has the meaning set forth in section 101(49) of the Bankruptcy Code.

Side-Car Term Loan Agreement means that certain *First Lien Term Loan Agreement*, dated as of June 16, 2025 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time), by and among (i) First Brands Group, LLC, (ii) First Brands Intermediate, LLC, (iii) GLAS USA LLC, as administrative agent and collateral agent, and (iv) the lenders from time to time party thereto.

Side-Car Term Loan Claims means all Claims (including all accrued and unpaid interest, fees, charges, expenses, other amounts, and/or deficiency Claims) arising from the Side-Car Term Loan Agreement and the DIP Order relating to the Side-Car Term Loan Agreement.

Special Committees means, collectively, the special committees of the boards of managers of (i) First Brands Group Holdings, LLC, First Brands Group Intermediate, LLC, and First Brands Group, LLC, each comprised of Neal Goldman and William Transier, and (ii) Viceroy, comprised of Benjamin Duster, Neal Goldman, and William Transier.

Specified Executives means, collectively, (i) Charles M. Moore, as Interim Chief Executive Officer and/or Chief Restructuring Officer of the Debtors; (ii) Daniel Jerneycic and Gaurav Malhotra, as Chief Restructuring Officers of the Debtors; and (iii) Paul Kosturos, as Chief Financial Officer of the Debtors.

Specified Non-Released Parties means (i) any Person against which any action has been commenced on behalf of a Debtor or its Estate in this Bankruptcy Court or any court of competent jurisdiction prior to the Confirmation Hearing, including, for the avoidance of doubt, any defendants named in the James Complaint or the Onset Complaint; (ii) any Person identified as a defendant or a potential defendant of a Cause of Action in the Plan Supplement; and (iii) any subsequent transferee of any of the foregoing with respect to any assets of or transfers by the Debtors or their affiliates.

SPV Debtors means the Debtor subsidiaries of Viceroy other than the FBG Debtors.

SPV Independent Manager means Benjamin Duster, in his capacity as independent manager of Viceroy.

SPV Lender means any lender or financing party (including, for the avoidance of doubt, Onset Financial, Inc.) that provided financing to an SPV Debtor and its agents.

SPV-ABL Wind Down Account has the meaning set forth in the Wind Down Order.

SPV-DIP Wind Down Account has the meaning set forth in the Wind Down Order.

Statutory Fees means all fees and charges assessed against the Plan Debtor's Estate pursuant to sections 1911 through 1930 of chapter 123 of title 28 of the United States Code.

Supply Chain Financer means any financial institution, fund, or other Person that (i) provided financing or liquidity to suppliers or vendors of one or more FBG Debtors or reimbursed any FBG Debtor Affiliate for providing such financing or liquidity in connection with such suppliers' or vendors' accounts receivable arising from the supply of goods or services to such FBG Debtors, whether through supply chain financing programs, reverse factoring arrangements, receivables purchase facilities, or similar arrangements; or (ii) remitted payments on behalf of one or more FBG Debtors relating to accounts payable arising from the supply of goods or services to such FBG Debtors, and as identified in an exhibit to the Litigation Trust Agreement.

Trade Creditor means any Person (including any Person that was paid through a

payment intermediary but excluding any such payment intermediary) that holds a General Unsecured Claim as of the Petition Date against an FBG Debtor arising from the ordinary course of the FBG Debtor's business for goods sold, services rendered, or other trade obligations incurred prior to the Petition Date, excluding any Person whose claim arises from a (secured or unsecured) loan, financing arrangement, bond, note, or other financial indebtedness.

Trademarks means all trademarks, service marks, trade names, corporate names, trade dress, logos and other similar indica of source or origin, including all applications, registrations, extensions and renewals of the foregoing and all goodwill associated with the foregoing.

Treasury Regulations means the regulations of the United States Treasury.

Trust Agreements means, collectively, the ABL Collateral Trust Agreement, the DIP Collateral Trust Agreement, and the Litigation Trust Agreement.

Trust Beneficiaries means, collectively, the ABL Collateral Trust Beneficiaries, the DIP Collateral Trust Beneficiaries, and the Litigation Trust Beneficiaries.

Trustees means, collectively, the ABL Collateral Trustee, the DIP Collateral Trustee, and the Litigation Trustee.

Trusts means, collectively, the ABL Collateral Trust, the DIP Collateral Trust, and the Litigation Trust.

U.S. Trustee means the United States Trustee for Region 7.

Unimpaired means, with respect to a Claim, Interest, or Class of Claims or Interests, not "impaired" within the meaning of sections 1123(a)(4) and 1124 of the Bankruptcy Code.

Viceroy means Viceroy Private Capital, LLC.

Voting Record Date has the meaning set forth in the Disclosure Statement Order.

Wind Down means the process to (i) sell, abandon, wind down, dissolve, liquidate, or distribute the assets owned by the Plan Debtor following the Effective Date, if any; (ii) resolve, terminate, or wind down any remaining liabilities of the Plan Debtor's Estate; (iii) reconcile all Claims against the Plan Debtor; and (iv) administer the Plan and make distributions in accordance with the Plan.

Wind Down Administrator means the administrator appointed by the Plan Debtor whose duties will include, among other things, effectuating the Wind Down in accordance with the Plan.

Wind Down Budget means a budget setting forth the estimate of costs and expenses necessary to effectuate the Wind Down through the date the Wind Down is completed, which budget shall be prepared by the Plan Debtor.

Wind Down Order means *Order Pursuant to Section 363 of the Bankruptcy Code (I) Approving and Authorizing the Debtors to Enter Into and Perform Under the Consulting Agreement; (II) Authorizing the Sale of Wind Down Assets Free and Clear of All Liens, Claims, and Encumbrances; and (III) Granting Related Relief* (Docket No. 2454).

Wind Down Reserve means a deposit account or other Cash reserve held by the Wind Down Administrator to be funded in accordance with the Wind Down Budget, which shall be available and used only to satisfy costs and expenses of the Wind Down; *provided* that any funds remaining in the Wind Down Reserve on the date the Wind Down is completed (as determined in the Wind Down Administrator's sole discretion) shall be turned over to the DIP Collateral Trust.

1.2 ***Interpretation; Application of Definitions; Rules of Construction.***

Unless otherwise specified, all section or exhibit references in the Plan are to the respective section in or exhibit to the Plan, as the same may be amended, waived, or modified from time to time in accordance with the terms hereof. The words "herein," "hereof," "hereto," "hereunder," and other words of similar import refer to the Plan as a whole and not to any particular section, subsection, or clause contained therein and have the same meaning as "in the Plan," "of the Plan," "to the Plan," and "under the Plan," respectively. The words "includes" and "including" are not limiting. The headings in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof. For purposes herein: (i) in the appropriate context, each term, whether stated in the singular or plural, shall include both the singular and plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (ii) any reference herein to a contract, lease, 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; (iii) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (iv) 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; and (v) all references herein to consent, acceptance, or approval may be conveyed by counsel for the respective parties that have such consent, acceptance, or approval rights, including by electronic mail.

1.3 ***Reference to Monetary Figures.***

All references in the Plan to monetary figures shall refer to the legal tender of the United States of America unless otherwise expressly provided.

1.4 ***Consent Rights.***

Notwithstanding anything herein to the contrary, any and all consent, approval, and consultation rights of the Required Consenting Lenders or the Creditors' Committee set forth herein, in the Plan Support Agreement, or in the DIP Order, including with respect to the form and substance of the Plan, the Plan Supplement, and all other Definitive Documents (including any amendments, restatements, supplements, or other modifications to such documents and any consents, waivers, or other deviations under or from any such documents), shall be incorporated

herein by this reference (including the applicable definitions in ARTICLE I hereof) and fully enforceable as if stated in full herein.

1.5 *Controlling Document.*

In the event of an inconsistency between the Plan and the Plan Supplement or any other exhibit, schedule, or annex to the Plan, the terms of the relevant document in the Plan Supplement or such exhibit, schedule, or annex, shall control unless otherwise specified in such Plan Supplement document. In the event of an inconsistency between the Plan and any other instrument or document created or executed pursuant to the Plan, or between the Plan and the Disclosure Statement, the Plan shall control. The provisions of the Plan and of the Confirmation Order shall be construed in a manner consistent with each other so as to effectuate the purposes of each. If there is any inconsistency between any provision of the Plan and any provision of the Confirmation Order that cannot be so reconciled, then, solely to the extent of such inconsistency, the provisions of the Confirmation Order shall govern, and any such provisions of the Confirmation Order shall be deemed a modification of the Plan.

ARTICLE II. ADMINISTRATIVE EXPENSE CLAIMS, DIP A CLAIMS, PROFESSIONAL FEE CLAIMS, RESTRUCTURING EXPENSES, AND PRIORITY TAX CLAIMS.

2.1 *Administrative Expense Claims.*

Except to the extent that a holder of an Allowed Administrative Expense Claim against the Plan Debtor agrees to less favorable treatment, on the later of (i) the Effective Date, and (ii) the first Business Day after the date that is forty-five (45) calendar days after the date such Administrative Expense Claim against the Plan Debtor becomes an Allowed Administrative Expense Claim, each such holder of an Allowed Administrative Expense Claim against the Plan Debtor shall receive, in full and final satisfaction, settlement, release, and discharge of such Claim, (i) Cash in an amount equal to the Allowed amount of such Claim or (ii) such other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.

2.2 *DIP A Claims.*

(a) Allowance. On the Effective Date, the DIP A Claims shall be deemed Allowed against the Plan Debtor in the full amount then outstanding under the DIP Credit Agreement and DIP Order. The Allowed amount of the DIP A Claims shall be set forth in the notice of occurrence of the Effective Date filed in accordance with Section 16.8 of the Plan.

(b) Treatment. Except to the extent that a holder of an Allowed DIP A Claim against the Plan Debtor agrees to less favorable treatment of such Claim, on the Effective Date, each such holder shall receive (i) on account of the Estate Claims Credit Bid, its Pro Rata Share of the Class 2 Litigation Trust Interests, and (ii) on account of the DIP Collateral Credit Bid, its Pro Rata Share of the Class 2 DIP Collateral Trust Interests. For the avoidance of doubt, any DIP A Claims not included in the Estate Claims Credit Bid or the DIP Collateral Credit Bid shall not be released under or affected by the Plan and shall remain enforceable against the DIP Loan Parties and Parent Guarantors.

2.3 ***Professional Fee Claims*.**

(a) All Professionals seeking approval by the Bankruptcy Court of Professional Fee Claims shall file, on or before the date that is ninety (90) calendar days after the Effective Date, their respective applications for final allowances of compensation for services rendered and reimbursement of expenses incurred from the Petition Date through the Effective Date. Objections to any Professional Fee Claims must be filed and served no later than twenty-one (21) calendar days after the filing of the final applications for compensation or reimbursement (unless otherwise agreed by the party requesting compensation of a Professional Fee Claim).

(b) Allowed Professional Fee Claims shall be paid in full in Cash in such amounts as are Allowed by the Bankruptcy Court (i) upon such terms as may be mutually agreed upon between the holder of such an Allowed Professional Fee Claim and the Debtors, out of the Professional Fees Escrow Account; or (ii) on the date upon which an order relating to any such Allowed Professional Fee Claim is entered. Agreement to the Global Settlement is conditioned upon the FBG Debtors', Ad Hoc Group's, and Creditors' Committee's agreement to a budget (the "**Agreed Budget**") solely for amounts that can be paid using DIP Term Loan Collateral, Prepetition Term Loan Collateral, or otherwise that may be asserted against the DIP Collateral Trust, Litigation Trust, or against the Plan Debtor for all Professionals. Pursuant to the Global Settlement, no Allowed Professional Fees of Professionals may be paid from the $25,000,000 of FBG Debtor cash to be contributed to the Litigation Trust as provided for herein.

(c) Notwithstanding the foregoing, any Professional Fee Claims that are authorized to be paid pursuant to any administrative orders entered by the Bankruptcy Court, including the Interim Compensation Procedures Order, may be paid at the times and in the amounts authorized pursuant to such orders.

(d) Five (5) Business Days before the Effective Date, holders of Professional Fee Claims shall provide a reasonable estimate of unpaid Professional Fee Claims incurred in rendering services to the Debtors and the Creditors' Committee, and the Debtors shall fund such estimated amounts into the Professional Fees Escrow Account for the benefit of the holders of the Professional Fee Claims; *provided* that, notwithstanding the foregoing, the Debtors may not fund any amounts into the Professional Fees Escrow Account that would cause the FBG Debtors to have in the aggregate less than $25,000,000 in Cash on their balance sheet on the Effective Date without the consent of the Required Consenting Lenders. If a holder of a Professional Fee Claim does not provide an estimate, the Debtors shall estimate the unpaid and unbilled reasonable and necessary fees and out-of-pocket expenses of such holder of a Professional Fee Claim. When all such Allowed Professional Fee Claims have been paid in full, any remaining amount in such Professional Fees Escrow Account shall be retained by the Wind Down Administrator to satisfy costs and expenses of the Wind Down in accordance with the Wind Down Budget. When all costs and expenses of the Wind Down have been paid in full, any remaining amounts in the Professional Fees Escrow Account shall be released from such escrow and revert to, and ownership thereof shall vest in, the DIP Collateral Trust without any further action or order of the Bankruptcy Court.

(e) The Wind Down Administrator is authorized to pay compensation for services rendered to the Plan Debtor or reimbursement of expenses incurred on behalf of the Plan

Debtor after the Effective Date in the ordinary course and without the need for Bankruptcy Court approval.

2.4 *Restructuring Expenses*.

The Restructuring Expenses incurred, or estimated to be incurred, up to and including the Effective Date, shall be paid in full in Cash on the Effective Date or as soon as reasonably practicable thereafter (to the extent not previously paid) in accordance with, and subject to, as applicable, the Plan and any other fee arrangements, without any requirement to file a fee application with the Bankruptcy Court and without any requirement for Bankruptcy Court review or approval; *provided* that the foregoing shall be subject to the Plan Debtor's receipt of an invoice in summary form (but without the need for itemized time detail and may be redacted) from the applicable Entity entitled to such Restructuring Expenses. All Restructuring Expenses to be paid on the Effective Date shall be estimated prior to and as of the Effective Date, and such estimates shall be delivered to the Plan Debtor at least three (3) Business Days before the anticipated Effective Date; *provided* that such estimates shall not be considered an admission or limitation with respect to such Restructuring Expenses.

2.5 *Priority Tax Claims*.

Except to the extent that a holder of an Allowed Priority Tax Claim against the Plan Debtor agrees to less favorable treatment, each holder of an Allowed Priority Tax Claim against the Plan Debtor shall receive, in full and final satisfaction, settlement, release, and discharge of such Allowed Priority Tax Claim, at the option of the Wind Down Administrator, either: (i) Cash in an amount equal to such Allowed Priority Tax Claim on the later of (a) the Effective Date, to the extent such Claim is an Allowed Priority Tax Claim on the Effective Date; and (b) the first Business Day after the date that is forty-five (45) calendar days after the date such Priority Tax Claim becomes an Allowed Priority Tax Claim; (ii) equal annual Cash payments in an aggregate amount equal to the amount of such Allowed Priority Tax Claim, together with interest at the applicable rate under section 511 of the Bankruptcy Code, over a period not exceeding five (5) years from and after the Petition Date (*provided* that the Wind Down Administrator reserves the right to prepay all or a portion of any Allowed Priority Tax Claim at any time under this option without penalty or premium); or (iii) such other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.

ARTICLE III. CLASSIFICATION OF CLAIMS AND INTERESTS.

3.1 *Classification in General*.

A Claim or Interest is placed in a particular Class for all purposes, including voting, confirmation, and distribution under the Plan and under sections 1122 and 1123(a)(1) of the Bankruptcy Code; *provided* that a Claim or Interest is placed in a particular Class for the purpose of receiving distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and such Claim or Interest has not been satisfied, released, or otherwise settled prior to the Effective Date.

3.2 *Summary of Classification of Claims and Interests.*

The following table designates the Classes of Claims against and Interests in the Plan Debtor and specifies which Classes are (i) Impaired and Unimpaired under the Plan, (ii) entitled to vote to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code, and (iii) presumed to accept or deemed to reject the Plan. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims, DIP A Claims, Professional Fee Claims, and Priority Tax Claims have not been classified.

Class	Type of Claim or Interest	Impairment	Entitled to Vote
1	Other Priority Claims	Unimpaired	No (Presumed to Accept)
2	Other Secured Claims	Unimpaired	No (Presumed to Accept)
3	Roll-Up Claims	Impaired	Yes
4	First Lien Claims	Impaired	Yes
5	Second Lien Claims	Impaired	Yes
6	ABL Claims	Impaired	Yes
7	General Unsecured Claims	Impaired	Yes
8	Plan Debtor Interests	Impaired	No (Deemed to Reject)

3.3 *Special Provision Governing Unimpaired Claims.*

Except as otherwise provided in the Plan, nothing under the Plan shall affect the rights of the Plan Debtor, the ABL Collateral Trust, the DIP Collateral Trust, and the Litigation Trust, as applicable, in respect of any Unimpaired Claims against the Plan Debtor, including all rights in respect of legal and equitable defenses to, or setoffs or recoupments against, any such Unimpaired Claims against the Plan Debtor.

3.4 *Elimination of Vacant Classes.*

Any Class that, as of the commencement of the Confirmation Hearing, does not have at least one Claim against or Interest in the Plan Debtor that is Allowed in an amount greater than zero for voting purposes shall be considered vacant, deemed eliminated from the Plan for purposes of voting to accept or reject the Plan, and disregarded for purposes of determining whether the Plan satisfies section 1129(a)(8) of the Bankruptcy Code with respect to such Class.

3.5 *Voting Classes; Presumed Acceptance by Non-Voting Classes.*

If a Class contained Claims eligible to vote and no holder of such Claims votes to accept or reject the Plan, the Plan shall be presumed accepted by the holders of such Claims in such Class.

3.6 *Voting; Presumptions; Solicitation.*

(a) Acceptance by Certain Impaired Classes. Only holders of Claims in Classes 3, 4, 5, 6, and 7 are entitled to vote to accept or reject the Plan.

(b) Presumed Acceptance by Unimpaired Classes. Holders of Claims in Classes 1 and 2 are conclusively presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Accordingly, such holders are not entitled to vote to accept or reject the Plan.

(c) Deemed Rejection by Certain Impaired Classes. Holders of Interests in Class 8 are deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code. Accordingly, such holders are not entitled to vote to accept or reject the Plan.

3.7 *Cramdown.*

If any Class entitled to vote on the Plan does not vote to accept the Plan, the Plan Debtor may (i) seek confirmation of the Plan under section 1129(b) of the Bankruptcy Code or (ii) amend or modify the Plan in accordance with the terms hereof and the Bankruptcy Code. If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, is Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

3.8 *No Waiver.*

Nothing contained in the Plan shall be construed to waive a Debtor's or other Person's right to object on any basis to any Claim against the Plan Debtor.

ARTICLE IV. TREATMENT OF CLAIMS AND INTERESTS.

4.1 *Class 1: Other Priority Claims.*

(a) Treatment: Except to the extent that a holder of an Allowed Other Priority Claim against the Plan Debtor agrees to less favorable treatment, each holder of an Allowed Other Priority Claim against the Plan Debtor shall receive, in full and final satisfaction, settlement, release, and discharge of such Allowed Other Priority Claim, at the option of the Wind Down Administrator:

(i) payment in full in Cash; or

(ii) such other treatment necessary to satisfy section 1129 of the Bankruptcy Code.

(b) Impairment and Voting: Class 1 is Unimpaired, and holders of Other Priority Claims against the Plan Debtor are conclusively presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Other Priority Claims against the Plan Debtor are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to Other Priority Claims.

4.2 ***Class 2: Other Secured Claims.***

(a) Treatment: Except to the extent that a holder of an Allowed Other Secured Claim against the Plan Debtor agrees to less favorable treatment of such Claim, each holder of an Allowed Secured Claim against the Plan Debtor shall receive, in full and final satisfaction, settlement, release, and discharge of such Allowed Other Secured Claim, at the option of the Wind Down Administrator:

(i) payment in full in Cash in an amount equal to such Claim, payable on the later of (x) the Effective Date, and (y) the first Business Day after forty-five (45) days from the date on which such Other Secured Claim becomes an Allowed Other Secured Claim;

(ii) transfer of the collateral securing such Other Secured Claim or the proceeds thereof in satisfaction of the Allowed amount of such Secured Claim; or

(iii) such other treatment so as to render such holder's Allowed Other Secured Claim against the Plan Debtor Unimpaired.

(b) Impairment and Voting: Class 2 is Unimpaired, and holders of Other Secured Claims against the Plan Debtor are conclusively presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Other Secured Claims against the Plan Debtor are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to Other Secured Claims.

4.3 ***Class 3: Roll-Up Claims.***

(a) Allowance. On the Effective Date, the Roll-Up Claims shall be deemed Allowed against the Plan Debtor in the amount of $3,300,000,000.

(b) Treatment: Except to the extent that a holder of an Allowed Roll-Up Claim against the Plan Debtor agrees to less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of such Allowed Roll-Up Term Loan Claim, on the Effective Date, each such holder shall receive, on account of its Allowed Roll-Up Term Loan Claim against the Plan Debtor, its Pro Rata Share of (i) the Class 3(a) Litigation Trust Interests, and (ii) the Class 3 DIP Collateral Trust Interests. For the avoidance of doubt, the Roll-Up Claims against the DIP Loan Parties, other than the Plan Debtor, shall not be released under or affected by the Plan and shall remain enforceable against such DIP Loan Parties and Parent Guarantors.

(c) Impairment and Voting: Class 3 is Impaired, and, thus, holders of Roll-Up Claims against the Plan Debtor are entitled to vote to accept or reject the Plan.

4.4 ***Class 4: First Lien Claims.***

(a) Allowance. On the Effective Date, the First Lien Claims shall be deemed Allowed against the Plan Debtor in the full amount, then outstanding as described in the DIP Credit Agreement and DIP Order.

(b) Treatment: Except to the extent that a holder of an Allowed First Lien Claim against the Plan Debtor agrees to less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of such Allowed First Lien Claim, on the Effective Date, each such holder shall receive, on account of its Allowed First Lien Claim against the Plan Debtor, its Pro Rata Share of the Class 3(c) Litigation Trust Interests. For the avoidance of doubt, the First Lien Claims against the DIP Loan Parties, other than the Plan Debtor, shall not be released under or affected by the Plan and shall remain enforceable against such DIP Loan Parties and Parent Guarantors.

(c) Impairment and Voting: Class 4 is Impaired, and, thus, holders of First Lien Claims against the Plan Debtor are entitled to vote to accept or reject the Plan.

4.5 *Class 5: Second Lien Claims*.

(a) Allowance. On the Effective Date, the Second Lien Claims shall be deemed Allowed against the Plan Debtor in the full amount then outstanding, as described in the DIP Credit Agreement and DIP Order.

(b) Treatment: Except to the extent that a holder of an Allowed Second Lien Claim against the Plan Debtor agrees to less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of such Allowed Second Lien Claim, on the Effective Date, each such holder shall receive, on account of its Allowed Second Lien Claim against the Plan Debtor, its Pro Rata Share of the Class 3(c) Litigation Trust Interests. For the avoidance of doubt, the Second Lien Claims against the DIP Loan Parties, other than the Plan Debtor, shall not be released under or affected by the Plan and shall remain enforceable against such DIP Loan Parties and Parent Guarantors.

(c) Impairment and Voting: Class 5 is Impaired, and, thus, holders of Second Lien Claims against the Plan Debtor are entitled to vote to accept or reject the Plan.

4.6 *Class 6: ABL Claims*.

(a) Allowance. On the Effective Date, the ABL Claims shall be deemed Allowed against the Plan Debtor in the amount set forth in the notice of occurrence of the Effective Date filed in accordance with Section 16.8 of the Plan.

(b) Treatment: Except to the extent that a holder of an Allowed ABL Claim against the Plan Debtor agrees to less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of such Allowed ABL Claim, on the Effective Date, each such holder shall receive, on account of its Allowed ABL Claim against the Plan Debtor, its Pro Rata Share of the ABL Collateral Trust Interests. For the avoidance of doubt, the ABL Claims against the ABL Loan Parties, other than the Plan Debtor, shall not be released under or affected by the Plan and shall remain enforceable against such ABL Loan Parties.=

(c) Impairment and Voting: Class 6 is Impaired, and, thus, holders of ABL Claims against the Plan Debtor are entitled to vote to accept or reject the Plan.

4.7 *Class 7: General Unsecured Claims.*

(a) Treatment: Except to the extent that a holder of an Allowed General Unsecured Claim against the Plan Debtor agrees to less favorable treatment of such Claim, in full and final settlement, release, and discharge of such Allowed General Unsecured Claim, each such holder shall receive its Pro Rata Share of the Class 3(b) Litigation Trust Interests.

(b) Impairment and Voting: Class 7 is Impaired, and, thus, holders of Allowed General Unsecured Claims against the Plan Debtor are entitled to vote to accept or reject the Plan.

4.8 *Class 8: Plan Debtor Interests.*

(a) Treatment: On the date that the Plan Debtor's Chapter 11 Case is closed, and without the need for any further corporate or limited liability company action or approval of any members, board of managers, managers, management, or Interest holders of the Plan Debtor, all Plan Debtor Interests shall be cancelled. Holders of Plan Debtor Interests shall not receive any distributions on account of such Interests unless and until any Allowed Claims for which the Plan Debtor has a continuing obligation to pay following the Effective Date are satisfied in full, in which case each holder of a Plan Debtor Interest shall receive its Pro Rata Share of any residual distributable value of the Plan Debtor.

(b) Impairment and Voting: Class 8 is Impaired. Holders of Plan Debtor Interests are conclusively deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, holders of Plan Debtor Interests are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to Plan Debtor Interests.

ARTICLE V. MEANS FOR IMPLEMENTATION.

5.1 *Compromise and Settlement of Claims, Interests, and Controversies.*

Pursuant to section 363 and 1123(b)(3) of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to the Plan, and the releases contained in the Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims, Interests, and controversies relating to the contractual, legal, equitable, and subordination rights that a holder of a Claim or Interest may have with respect to any Claim or Interest and any distribution to be made on account of such Claim or Interest. The Plan shall be deemed a motion to approve the compromises and settlements contained in the Plan, including the Global Settlement. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise and settlement of all such Claims, Interests, and controversies, including the Global Settlement, as well as a finding by the Bankruptcy Court that such compromise and settlement is in the best interests of the Debtors, their Estates, and holders of such Claims and Interests, and is fair, equitable, and reasonable. The compromises, settlements, and releases described herein shall be deemed non-severable from each other and from all other terms of the Plan.

5.2 *Global Settlement*.

(a) Overview. Pursuant to sections 105(a), 361, 363, 364, 1123(b)(3)(A), and 1123(b)(6) of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration of the distributions and other benefits provided under the Plan, the provisions of the Plan effect a compromise and settlement among the Debtors, the Ad Hoc Group, and the Creditors' Committee. The compromises and settlements included in the Global Settlement are each (i) integrated with and dependent on all other compromises and settlements contemplated in connection with the Plan and (ii) necessary and integral to the Plan. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Global Settlement under sections 105(a), 361, 363, 364, 1123(b)(3)(A), and 1123(b)(6) of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that the Global Settlement is fair, equitable, reasonable and in the best interests of the Debtors' Estates. The principal terms of the Global Settlement are reflected below.

(b) Enforcement of Remedies. The DIP Secured Parties have superpriority liens on (i) all prepetition and postpetition property of the FBG Debtors, including the DIP Loan Parties and Parent Guarantors, and all proceeds thereof, including all Estate Claims, (ii) all Additional Unencumbered Property, and (iii) all Prepetition Collateral (other than ABL Priority Collateral, on which the liens of the DIP Secured Parties, the First Lien Secured Parties, and the Second Lien Term Loan Secured Parties are junior to those of the ABL Secured Parties). The DIP Secured Parties have alleged that various events of default have occurred and are continuing under the DIP Documents. The DIP Loan Parties do not have sufficient funds to indefeasibly pay the DIP Obligations in full in Cash. The Global Settlement incorporates a consensual arrangement to (i) permit the DIP Secured Parties to accelerate the DIP Obligations and enforce remedies against the FBG Debtors but without the costs, expenses, and risks of attendant litigation relating thereto and (ii) provide recoveries to junior creditors of the FBG Debtors which allows such creditors to participate in recovery prior to the satisfaction in full of the DIP A Claims and Roll-Up Claims.

(c) Expiration of Challenge Rights. The Challenge Period shall be deemed to expire against all parties in the Chapter 11 Cases (unless already expired pursuant to the terms of the DIP Order) on the Effective Date.

(d) Allowance of Claims. On the Effective Date, (i) the DIP A Claims shall be deemed allowed against each FBG Debtor in the full amount then outstanding under the DIP Credit Agreement and DIP Order; (ii) the Roll-Up Claims shall be deemed allowed against each FBG Debtor in the full amount then outstanding under the DIP Credit Agreement and DIP Order; (iii) the First Lien Term Loan Claims shall be deemed allowed against each FBG Debtor (other than Viceroy) in the full amount then outstanding under the First Lien Term Loan Agreement; (iv) the Side-Car Term Loan Claims shall be deemed allowed against each FBG Debtor (other than Viceroy) in the full amount then outstanding under the Side-Car Term Loan Agreement; and (v) the Second Lien Claims shall be deemed allowed against each FBG Debtor (other than Viceroy) in the full amount then outstanding under the Second Lien Term Loan Agreement.

(e) Estate Claims Credit Bid Transaction. The Debtors are conducting a marketing and sale process for the Estate Claims. Pursuant to the Global Settlement, on the Effective Date, subject to the terms of the "fiduciary out" under the Plan Support Agreement,

unless the FBG Debtors determine the Estate Claims Credit Bid Transaction is not the highest or best offer (with the consent of the Creditors' Committee), the FBG Debtors shall sell, assign, convey, transfer, and deliver, or cause to be sold, assigned, conveyed, transferred, and delivered, the Litigation Trust Assets, pursuant to sections 105, 363(b) and (f), and 1123(a)(5)(D) of the Bankruptcy Code and the Estate Claims Credit Bid APA, to the Plan Debtor free and clear of all Liens, Claims, encumbrances and Interests (legal, beneficial or otherwise). The aggregate consideration to be paid by the DIP Secured Parties for such Litigation Trust Assets shall be the Estate Claims Credit Bid. Simultaneously with such transfer, the Plan Debtor shall assign, convey, transfer, and deliver the Litigation Trust Assets, pursuant to sections 105, 363(b) and (f), and 1123(a)(5)(D) of the Bankruptcy Code, to the Litigation Trust free and clear of all Liens, Claims, encumbrances and Interests (legal, beneficial or otherwise).

(f) DIP Collateral Credit Bid Transaction. Pursuant to the Global Settlement, on the Effective Date, the FBG Debtors shall sell, assign, convey, transfer, and deliver, or cause to be sold, assigned conveyed, transferred, and delivered, the DIP Collateral Trust Assets, pursuant to sections 105, 363(b) and (f), and 1123(a)(5)(D) of the Bankruptcy Code and the DIP Collateral Credit Bid APA, to the Plan Debtor free and clear of all Liens, Claims, encumbrances and Interests (legal, beneficial or otherwise). The aggregate consideration to be paid by the DIP Secured Parties for the DIP Collateral Assets shall be the DIP Collateral Credit Bid. Immediately following such transfer, the Plan Debtor shall assign, convey, transfer, and deliver the DIP Collateral Trust Assets, pursuant to sections 105, 363(b) and (f), and 1123(a)(5)(D) of the Bankruptcy Code, to the DIP Collateral Trust free and clear of all Liens, Claims, encumbrances and Interests (legal, beneficial or otherwise).

(g) Litigation Trust Funding Commitments. Pursuant to the Global Settlement, the Litigation Trust Funding Contributors will provide the Litigation Trust Funding Commitments and Litigation Trust Funding Contributions to the Litigation Trust pursuant to the Litigation Trust Agreement, which commitments and contributions shall be available to pay litigation costs of the Litigation Trust, costs of administration of the Litigation Trust, and costs of monetizing the Litigation Trust Assets. The Litigation Trust Funding Commitments and Litigation Trust Funding Contributions are necessary and incidental to the liquidating purpose of the Litigation Trust.

(h) Litigation Trust Distributions. The Litigation Trustee shall make distributions to Litigation Trust Beneficiaries in accordance with the Litigation Trust Waterfall, as set forth in Section 6.3 of the Plan.

(i) Electing Creditors. All Eligible Creditors shall be given the option, in connection with solicitation of the Disclosure Statement, to receive Class 3(b) Litigation Trust Interests entitling them to receive distributions from the Litigation Trust in accordance with the Litigation Trust Agreement and the Plan. The distributions allocable to Class 3(b) Litigation Trust Interests from the Litigation Trust may be held in trust (in whole or in part) by the GUC Ombudsman pending a claims acceptance process for the Electing Creditor Claims to be determined by the GUC Ombudsman in consultation with the Litigation Trustee. Electing Creditor Claims that are determined to be accepted following such claim acceptance process shall be entitled to their Pro Rata Share of the Class 3(b) Litigation Trust Interests. If an Eligible Creditor does not timely opt out of being an Electing Creditor on the Global Settlement Election Form, then

such creditor shall retain all of its rights and claims against the Estates and the Debtors against which such party currently asserts a right or claim. The Litigation Trustee is authorized to determine whether any Electing Creditor is an Ineligible Creditor prior to making any distributions to holders of Class 3 Litigation Trust Interests; *provided* that an Ineligible Creditor may seek relief from the Bankruptcy Court opposing such a determination. For the avoidance of doubt, Ineligible Creditors shall not be entitled to share in distributions from the Litigation Trust.

(j) Electing Creditor Waiver. In exchange for becoming an Electing Creditor, each Electing Creditor shall be deemed to (i) have waived any objections to the Plan, Confirmation Order, and any related settlements and relief sought in furtherance thereof, including the Global Settlement, and (ii) be a Releasing Party and grant the releases contained in Section 14.5(b) of the Plan. In addition, if an Electing Creditor holds a Claim against an FBG Debtor for which one or more other FBG Debtors have joint and several liability, such Electing Creditor agrees it shall have only a single Electing Creditor Claim for purposes of receiving Class 3(b) Litigation Trust Interests and receiving distributions from the Litigation Trust.

(k) GUC Ombudsman. The GUC Ombudsman shall be appointed prior to the Effective Date and shall serve as the holder of record of the Class 3(b) Litigation Trust Interests (and, in such capacity shall provide the Litigation Trustee with a properly completed IRS Form W-9) and, except as provided herein, shall not have any duties until distributions of Litigation Trust Assets are anticipated to be paid to holders of Class 3 Interests. In connection with the aforementioned distributions, the GUC Ombudsman shall be responsible solely for reconciling Electing Creditor Claims and making distributions to holders of Class 3(b) Litigation Trust Interests in accordance with the Plan, including all federal, state, and local income tax reporting obligations associated therewith. As permitted or required by applicable law, the GUC Ombudsman may treat any Litigation Trust Assets allocable to, or held on account of, any Class 3(b) Litigation Trust Interests as a "disputed ownership fund" governed by Treas. Reg. § 1.468B-9 or other separate taxable entity. *See* Section 6.16(d) of the Plan. The GUC Ombudsman shall only withhold distributions where necessary and shall otherwise be required to make minimum and/or interim distributions expeditiously. All costs of the GUC Ombudsman to reconcile Electing Creditor Claims and make distributions to holders of Class 3(b) Litigation Trust Interests shall be paid from the distributions otherwise distributable to holders of Class 3(b) Litigation Trust Interests and shall not be otherwise chargeable against the Plan Debtor or the Litigation Trust. Subject to a budget agreed to by the Litigation Trustee, the Creditors' Committee, the Ad Hoc Group, and the GUC Ombudsman prior to the Effective Date, the Litigation Trust will fund certain costs unrelated to reconciliation for the GUC Ombudsman. However, if an agreement on such budget cannot be reached, the cost of reconciling Electing Creditor Claims shall be paid from the distributions otherwise distributable to holders of Class 3(b) Litigation Trust Interests. The GUC Ombudsman may request additional funding from the Litigation Trustee to perform reconciliation duties.

(l) Conversion of Remaining Debtors' Chapter 11 Cases. The Confirmation Order shall provide that, following the Effective Date and transfer of the Litigation Trust Assets to the Litigation Trust, the DIP Collateral Trust Assets to the DIP Collateral Trust, and the ABL Collateral Trust Assets to the ABL Collateral Trust, each of the Debtors' Chapter 11 Cases (other than the Plan Debtor), to the extent not previously converted, will be converted to a case under chapter 7 of the Bankruptcy Code; *provided* that, notwithstanding any provision of the Bankruptcy

Code or any provision herein to the contrary, including, without limitation, section 362 of the Bankruptcy Code, in the event that any FBG Debtor's case is converted to a case under chapter 7 of the Bankruptcy Code or any FBG Debtor commences or becomes subject to a subsequent case under any chapter of the Bankruptcy Code, (i) the automatic stay provisions of section 362 of the Bankruptcy Code, or any other stay that may arise by operation of law or otherwise, shall not apply to, limit, or otherwise affect the Litigation Trustee's rights, powers, and authority to prosecute, compromise, settle, collect, and otherwise enforce the Estate Claims, and (ii) the Litigation Trustee shall be entitled to continue to prosecute, compromise, settle, collect, and otherwise enforce the Estate Claims in all respects as though no such conversion or subsequent case had occurred. Any chapter 7 trustee or other fiduciary appointed in any such converted or subsequent case shall have no right, title, or interest in or to the Estate Claims, and the Estate Claims shall not constitute property of the estate in any such converted or subsequent case. The Bankruptcy Court shall retain exclusive jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and enforcement of this provision, including any disputes concerning the Litigation Trustee's rights to prosecute, settle, and collect on the Estate Claims.

(m) Survival of Claims. The DIP A Claims (other than the DIP A Claims subject to the Estate Claims Credit Bid and DIP Collateral Credit Bid), Roll-Up Claims, First Lien Claims, Second Lien Claims, ABL Claims, Electing Creditor Claims, and Claims of non-Electing Creditors against the Estates of the FBG Debtors (other than the Plan Debtor) are preserved and may continue to be asserted against the chapter 7 estates of the applicable FBG Debtor and shall not be reduced by the amount of any Trust distributions made on or after the Effective Date.

5.3 ***Sources of Consideration for Distributions.***

Cash distributions under the Plan shall be funded with Cash proceeds available from: (i) Cash available on or after the Effective Date in accordance with the Plan; and (ii) Cash from the Professional Fees Escrow Account (*provided* that the Cash proceeds of the Professional Fees Escrow Account shall be exclusively used to pay Allowed Professional Fee Claims until paid in full in Cash and any amount remaining thereafter in the Professional Fees Escrow Account shall be retained by the Wind Down Administrator to satisfy costs and expenses of the Wind Down in accordance with the Wind Down Budget until transferred by the Wind Down Administrator to the DIP Collateral Trust).

5.4 ***Implementation.***

The following implementation transactions shall be consummated in accordance with the Emergence Steps Memo:

(i) On or in connection with the Effective Date, the FBG Debtors shall consummate the (i) Estate Claims Credit Bid Transaction and (ii) DIP Collateral Credit Bid Transaction.

(ii) On or in connection with the Effective Date, the Litigation Trust shall be established and administered pursuant to the Litigation Trust Agreement and the Plan. On, before, or after the Effective Date, the Litigation Trust Assets shall transfer to the Litigation Trust

automatically and without further action of the Bankruptcy Court; *provided* that the Debtors, the Litigation Trust, the Litigation Trustee, and any other necessary party shall execute (or be deemed to have executed) all documentation necessary to effectuate such transfer.

(iii) On or in connection with the Effective Date, the DIP Collateral Trust shall be established and administered pursuant to the DIP Collateral Trust Agreement and the Plan. On, before, or after the Effective Date, the DIP Collateral Trust Assets shall transfer to the DIP Collateral Trust automatically and without further action of the Bankruptcy Court; *provided* that the Debtors, the DIP Collateral Trust, the DIP Collateral Trustee, and any other necessary party shall execute (or be deemed to have executed) all documentation necessary to effectuate such transfer.

(iv) On or in connection with the Effective Date, the ABL Collateral Trust shall be established and administered pursuant to the ABL Collateral Trust Agreement and the Plan. On the Effective Date, the ABL Secured Parties shall be deemed to have foreclosed on the ABL Collateral Trust Assets and transferred such ABL Collateral Trust Assets to the ABL Collateral Trust automatically and without further action of the Bankruptcy Court; *provided* that the Debtors, the ABL Collateral Trust, the ABL Collateral Trustee, and any other necessary party shall execute (or be deemed to have executed) all documentation necessary to effectuate such transfer.

(v) On or in connection with the Effective Date, the Direct Claims Trust shall be established and administered pursuant to the Direct Claims Trust Agreement and the Plan. On the Effective Date, the Direct Claims Trust Electing Creditors shall be deemed to have transferred their Direct Creditor Claims to the Direct Claims Trust automatically and without further action of the Bankruptcy Court.

(vi) On the Effective Date, the Wind Down Reserve shall be established and funded in accordance with the Wind Down Budget.

(vii) On or in connection with the Effective Date, the Debtors shall transfer the (a) Professional Fees Escrow Account, (b) the Factored Receivables Account, and the (c) Examiner Account to the Plan Debtor.

(viii) After the Effective Date, the Wind Down Administrator shall administer the Factored Receivables Account in accordance with the Cash Management Order and the Plan.

5.5 *Litigation Trust Funding Commitments*.

The terms of the Litigation Trust Funding Commitments shall be set forth in the Litigation Trust Agreement or in any Litigation Trust Funding Agreement. Upon execution of the Litigation Trust Agreement or any Litigation Trust Funding Agreement, the Litigation Trust

Funding Commitments shall constitute legal, valid, and binding obligations of the parties thereto and be enforceable in accordance with their respective terms and such obligations shall not be enjoined or subject to discharge, impairment, release, avoidance, recharacterization, or subordination under applicable law, the Plan or the Confirmation Order, and the Litigation Trust shall be authorized to incur or enforce the obligations under the Litigation Trust Agreement or in any Litigation Trust Funding Agreement with respect to the Litigation Trust Funding Commitments and use the proceeds of such Litigation Trust Funding Commitments, in each case, in accordance with the terms of the Plan, the Confirmation Order, the Litigation Trust Agreement, and any Litigation Trust Funding Agreement without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule, or the vote, consent, authorization, or approval of any Person. The terms and conditions of the Litigation Trust Agreement and any Litigation Trust Funding Agreement, in each case, shall bind the Litigation Trust and each other Entity that enters into such agreement.

5.6 *Factored Receivables Account*.

Following the Effective Date, the Factored Receivables Account shall be transferred to the Plan Debtor, and the Wind Down Administrator shall assume the obligations for administering the Factored Receivables Account. The Wind Down Administrator shall administer the Factored Receivables Account in accordance with the Cash Management Order, including providing the reporting set forth in paragraph 7 of the Cash Management Order. The Confirmation Order shall provide that (i) the FBG Debtors, including the Plan Debtor, shall continue to direct, to the extent received by the FBG Debtors, and segregate all collections into the Factored Receivables Account and (ii) the Plan Debtor and the Wind Down Administrator shall not disburse any such segregated funds from the Factored Receivables Account pending further order of the Bankruptcy Court after notice to the ABL Agent and all other affected parties and all such parties being provided an opportunity to be heard; *provided* that the Plan Debtor and the Wind Down Administrator shall not be required to segregate any funds received on account of any postpetition sale and related invoice. The Confirmation Order shall further provide that the Wind Down Administrator shall be authorized to administer the Factored Receivables Account and prosecute the FBG Debtors' interests in the funds on deposit in the Factored Receivables Account; *provided* that the Wind Down Administrator shall do so at the ABL Collateral Trust's sole cost and expense (paid in advance); *provided further* that the ABL Agent shall have the right to direct the Wind Down Administrator with respect to the prosecution of the FBG Debtors' interests in the Factored Receivables Account and the ABL Agent's prior written consent shall be required for any settlement, compromise, or other disposition of such interests. The foregoing provisions shall be binding on any chapter 7 trustees appointed in any chapter 7 cases of the FBG Debtors.

5.7 *Wind Down Accounts*.

Following the Effective Date, the SPV-ABL Wind Down Account and the SPV-DIP Wind Down Account each shall be transferred to the Plan Debtor, and the Wind Down Administrator shall assume the obligations for administering the such accounts. The Wind Down Administrator shall administer the SPV-ABL Wind Down Account and the SPV-DIP Wind Down Account in accordance with the Wind Down Order.

5.8 *Corporate Action*.

(a) Following the Effective Date, by virtue of the solicitation of votes in favor of the Plan and entry of the Confirmation Order, all actions contemplated by the Plan or the Confirmation Order (including any action to be undertaken by the Plan Debtor, the Debtors, the Wind Down Administrator, the Trustees, or the Trusts) shall be deemed authorized, approved, and, to the extent taken prior to the Effective Date, ratified without any requirement for further action by holders of Claims or Interests, the Plan Debtor, the Debtors, or any other Entity or Person. All matters provided for in the Plan involving the organizational structure of the Plan Debtor, and any other action required by the Plan Debtor in connection therewith, shall be deemed to have occurred and shall be in effect, without any requirement of further action by the Plan Debtor or its Estate.

(b) The authorizations and approvals contemplated by this Section 5.8 shall be effective notwithstanding any requirements under non-bankruptcy law.

(c) The Confirmation Order shall and shall be deemed, pursuant to sections 363, 1123, and 1142 of the Bankruptcy Code, to authorize and direct parties, as applicable, among other things, to take all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan.

5.9 *Wind Down Administrator*.

(a) Wind Down. After the Effective Date, pursuant to the Plan, the Wind Down Administrator shall effectuate the Wind Down without any further approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. The Wind Down (as determined for federal income tax purposes) shall occur in an expeditious but orderly manner after the Effective Date.

(b) Authority of the Wind Down Administrator. The Wind Down Administrator shall have the authority and right on behalf of the Plan Debtor, without the need for Bankruptcy Court approval (unless otherwise indicated), to carry out and implement all provisions of the Plan, including, without limitation, to:

(i) coordinate with the Trustees and any chapter 7 trustees appointed in any chapter 7 cases of the FBG Debtors with respect to the transfer and turnover of information;

(ii) administer the Plan Debtor's tax obligations, including (a) filing tax returns and paying tax obligations, (b) requesting, if necessary, an expedited determination of any unpaid tax liability of the Plan Debtor or its Estate under Bankruptcy Code section 505(b) for all taxable periods of the Plan Debtor ending after the Petition Date through the liquidation of the Plan Debtor as determined under applicable tax laws, and (c) representing the interest and account of the Plan Debtor or its Estate before any taxing authority in all matters including, without limitation, any action, suit, or proceeding or audit;

(iii) (a) administer the Factored Receivables Account and prosecute the FBG Debtors' interests in the Factored Receivables Account in accordance with the Cash Management Order and the Plan, (b) administer the SPV-ABL Wind Down Account and SPV-DIP Wind Down Account in accordance with the Wind Down Order, (c) administer the Professional Fees Escrow Account in accordance with the DIP Order and facilitate distributions from such account to satisfy Allowed Professional Fee Claims, and (d) administer the Examiner Account and facilitate distributions from such account to satisfy the Allowed fee and expenses of the Examiner and its professionals;

(iv) pay statutory fees in accordance with Section 16.1 of the Plan;

(v) close the Chapter 11 Case of the Plan Debtor; and

(vi) perform other duties and functions that are consistent with the Plan or as the Wind Down Administrator reasonably deems to be necessary and proper to carry out the provisions of the Plan.

(c) Indemnification. The Plan Debtor shall indemnify and hold harmless the Wind Down Administrator, solely in its capacity as such, for any losses incurred in such capacity, except to the extent such losses were the result of the Wind Down Administrator's bad faith, gross negligence, willful misconduct, or criminal conduct.

5.10 *Governance*.

(a) On the Effective Date, the authority, power and incumbency of the persons then acting as directors, managers, members, officers, and other authorized persons of the Plan Debtor shall be terminated and such persons shall be deemed to have resigned. On the Effective Date, the Wind Down Administrator shall serve as the initial director or manager, as applicable, and sole officer of the Plan Debtor after the Effective Date until such time as the Plan Debtor goes out of existence, by dissolution or otherwise.

(b) The Wind Down Administrator, on behalf of the Plan Debtor, may appoint one or more directors or managers of the Plan Debtor to serve after the Effective Date. The Wind Down Administrator, on behalf of the Plan Debtor, may elect such additional directors(s), manager(s), and/or officer(s) of the Plan Debtor as the Wind Down Administrator deems necessary to implement the Plan and the actions contemplated herein. The Wind Down Administrator, on behalf of the Plan Debtor, shall, after the Effective Date, have the power to act by written consent to remove any manager or officer of the Plan Debtor at any time with or without cause.

(c) As of the Effective Date, the governing documents of the Plan Debtor may be amended (and shall be deemed amended) to the extent necessary to carry out the provisions of the Plan.

5.11 ***Cancellation of Existing Securities, Agreements, and Liens.***

Except for the purpose of evidencing a right to a distribution pursuant to the Plan, on the Effective Date and without the need for any further organizational action or approval of any member, board of directors, board of managers, managers, management, or Interest holders of the Plan Debtor, all notes, instruments, other securities, and other evidence of debt issued to the Plan Debtor, and any rights of any holder in respect thereof, shall be deemed cancelled, discharged, and of no force or effect and the obligations of the Plan Debtor thereunder shall be deemed fully satisfied, released, and discharged.

5.12 ***Dissolution of Plan Debtor.***

On or after the Effective Date, the Wind Down Administrator may complete the winding up of the Plan Debtor without the necessity for any other or further actions to be taken by or on behalf of the Plan Debtor or its members, managers, directors, management, or Interest holders or any payments to be made in connection therewith, other than the filing of a certificate of dissolution or cancellation with the appropriate governmental authorities, and any such certificate of dissolution or cancellation may be filed by the Wind Down Administrator without need for any authorization, signature or other act of any Person, including without limitation any holder of any Claim or Interest. On or after the Effective Date, the Wind Down Administrator may engage in any other transaction in furtherance of the Plan. Any such transactions may be effective without any further action by the members, managers, directors, management, or Interest holders of the Plan Debtor.

5.13 ***Effectuating Documents; Further Transactions.***

(a) On and after the Effective Date, the Wind Down Administrator is authorized to and may issue, execute, deliver, file or record such contracts, securities, 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 in the name of and on behalf of the Plan Debtor, without the need for any approvals, authorization, or consents except for those expressly required pursuant to the Plan.

(b) On and after the Effective Date, the Trustees are authorized to and may issue, execute, deliver, file or record such contracts, securities, 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, without the need for any approvals, authorization, or consents except for those expressly required pursuant to the Plan.

(c) Before, on, or after the Effective Date (as appropriate), all matters provided for pursuant to the Plan that would otherwise require approval of the Interest holders, directors, managers, or members of the Debtors shall be deemed to have been so approved and shall be in effect before, on, or after the Effective Date (as appropriate) pursuant to applicable law and without any requirement of further action by the Interest holders, directors, managers, or members of the Debtors, or the need for any approvals, authorizations, actions or consents.

5.14 ***Closing of the Chapter 11 Case.***

After the Effective Date, the Wind Down Administrator shall be authorized, but not

directed, to submit a motion for orders that close and issue final decree for the Plan Debtor's Chapter 11 Case in accordance with the Bankruptcy Code and the Bankruptcy Rules. Furthermore, the Claims and Noticing Agent shall be authorized to destroy all paper/hardcopy records related to the Plan Debtor's Chapter 11 Case two (2) years after the Effective Date has occurred.

ARTICLE VI. LITIGATION TRUST.

6.1 *Establishment of the Litigation Trust.*

On or prior to the Effective Date, the Litigation Trust shall be established in accordance with the Litigation Trust Agreement for the purpose of being vested with and liquidating the Litigation Trust Assets and making distributions to the Litigation Trust Beneficiaries in accordance with the terms of the Litigation Trust Agreement and the Plan. For the avoidance of doubt, and notwithstanding anything to the contrary in the Plan, the Litigation Trust's primary purpose is liquidating the Litigation Trust Assets, with no objective to continue or engage in the conduct of a trade or business except to the extent reasonably necessary to, and consistent with, the Litigation Trust's liquidating purpose and reasonably necessary to conserve and protect the Litigation Trust Assets and provide for the orderly liquidation thereof.

6.2 *Funding of and Transfer of Assets into the Litigation Trust.*

(a) On the Effective Date or as soon as reasonably practicable thereafter and following the consummation of the Estate Claims Credit Bid Transaction, the Plan Debtor shall transfer its remaining interests in the Litigation Trust Assets to the Litigation Trust, and all such assets shall vest in the Litigation Trust (free and clear of all Liens, Claims, encumbrances and Interests (legal, beneficial or otherwise)) on such date, to be administered by the Litigation Trustee, in accordance with the Litigation Trust Agreement. The Litigation Trustee shall have the authority to create additional sub-accounts in trust accounts and sub-trusts within the Litigation Trust, which may have a separate legal existence, but which shall be considered sub-accounts or sub-trusts of the Litigation Trust. The act of transferring the Litigation Trust Assets, as authorized by the Plan and the Confirmation Order, shall not be construed to destroy or limit any such assets or rights or be construed as a waiver of any right, and such rights (including, for the avoidance of doubt, any extensions available to a trustee or debtor-in-possession under 11 U.S.C. § 108) may be asserted by the Litigation Trust, in any judicial, arbitration, or administrative proceeding, during or after the pendency of these Chapter 11 Cases, as if the asset or right asserted in such judicial, arbitration, or administrative proceeding were an action or other asset still held by the applicable Debtor or Debtor-in-possession. Upon the transfer of the Litigation Trust Assets to the Litigation Trust, the Estates or their successors shall have no interest in or with respect to the Litigation Trust Assets or the Litigation Trust. Upon delivery of the Litigation Trust Assets to the Litigation Trust, the FBG Debtors and their predecessors, successors and assigns, shall be released from all liability with respect to the delivery thereof and shall have no reversionary or further interest in or with respect to the Litigation Trust Assets or the Litigation Trust. Notwithstanding the foregoing, for purposes of section 553 of the Bankruptcy Code, the transfer of the Litigation Trust Assets to the Litigation Trust shall not affect the mutuality of obligations that otherwise may have existed prior to the effectuation of such transfer. Such transfer shall be exempt from any stamp, real estate transfer, mortgage reporting, sales, use, or other similar tax, pursuant to section 1146(a) of the Bankruptcy Code. The Litigation Trustee shall agree to accept and hold the Litigation Trust Assets

in the Litigation Trust for the benefit of the Litigation Trust Beneficiaries, subject to the terms of the Litigation Trust Agreement.

(b) All Causes of Action, claims, rights, and interests transferred, assigned, or otherwise conveyed to the Litigation Trust from each FBG Debtor's Estate shall remain separate and distinct from the Causes of Action, claims, rights, and interests transferred from the Estates of any other FBG Debtor. The Litigation Trust shall hold, administer, and prosecute such Causes of Action on behalf of each contributing FBG Debtor's Estate as though such Causes of Action continued to be held by such FBG Debtor's Estate independently. No defendant, counterparty, or other party against whom a Cause of Action is asserted by the Litigation Trust shall be entitled to assert, as a defense, setoff, recoupment, counterclaim, or reduction of any kind, any claim, defense, or right arising from or relating to such party's dealings, transactions, or relationships with any FBG Debtor other than the specific FBG Debtor whose estate originally held the Cause of Action being prosecuted. For the avoidance of doubt, the consolidation of Causes of Action within the Litigation Trust for administrative convenience shall not operate to merge, consolidate, or otherwise combine the separate and distinct claims of the respective FBG Debtor Estates, nor shall such consolidation permit any party to assert cross-FBG Debtor defenses or to reduce its liability on a Cause of Action held by one FBG Debtor's Estate by reference to any claim, credit, or defense arising from such party's relationship with a different FBG Debtor.

(c) Notwithstanding any provision herein, any Person against whom an Estate Claim is asserted by the Litigation Trustee shall be prohibited from asserting, filing, or prosecuting any counterclaim, setoff, recoupment, or other affirmative claim against the Litigation Trustee in connection with, arising out of, or related to such Estate Claim. Any such counterclaim, setoff, recoupment, or affirmative claim that a defendant to an Estate Claim may have, whether arising before or after the Petition Date, shall be asserted solely against the Debtor or the Estate, as applicable. Any defendant to an Estate Claim who wishes to assert a counterclaim, setoff, recoupment, or other affirmative claim must file a Proof of Claim in accordance with the procedures and deadlines established by the Bankruptcy Court and/or the Bankruptcy Code. Failure to timely file a Proof of Claim in accordance with such procedures and deadlines shall result in such counterclaim, setoff, recoupment, or affirmative claim being forever barred and discharged pursuant to the terms of the Plan and the Confirmation Order. For the avoidance of doubt, the assignment of any Estate Claim by the Debtor, the Estate, or Litigation Trustee acting on behalf of the Estate or Litigation Trust shall not create any privity of contract, successor liability, or other legal relationship between the Litigation Trustee and any defendant to such Estate Claim that would permit the assertion of any counterclaim, setoff, recoupment, or affirmative defense directly against the Litigation Trustee, except to the extent such defense is limited to reducing or offsetting the Litigation Trustee's affirmative recovery on the specific Estate Claim itself.

(d) All attorney-client privileges, work product protections, joint client privilege, mediation privilege, common interest or joint defense privilege or protection and all other privileges, immunities or protections from disclosure (the "**Privileges**") held by (1) any one or more of the Debtors or (2) any prepetition or postpetition committee or subcommittee of the board of managers or equivalent governing body of any of the Debtors and their predecessors (together the "**Privilege Transfer Parties**") related in any way to the Litigation Trust Assets or the analysis or prosecution of any Litigation Trust Assets (the "**Transferred Privileged**

Information") shall be transferred and assigned to, and vested in, the Litigation Trust and its authorized representatives. The Transferred Privileged Information shall include documents and information of all manner, whether oral, written or digital, and whether or not previously disclosed or discussed. For the avoidance of doubt, the Privileges shall include any right or obligation to preserve or enforce or waive a privilege that arises from any joint defense, common interest or similar agreement involving any of the Privilege Transfer Parties.

(e) The foregoing transfer and assignment shall vest the Privileges concerning the Transferred Privileged Information in the Litigation Trust, consistent with sections 1123(a)(5)(B) and 1123(b)(3)(B) of the Bankruptcy Code, for the benefit of the Litigation Trust and the Litigation Trust Beneficiaries; *provided*, however, that to the extent that any such Privileges or Transferred Privileged Information relates to both the Litigation Trust Assets on one hand and any matter in which the Debtors (or the ABL Collateral Trust or DIP Collateral Trust) have an interest on the other, such Privileges and Transferred Privileged Information shall vest jointly in the Debtors (or the ABL Collateral Trust or DIP Collateral Trust), as applicable, (or their designee) and the Litigation Trust. As relates to any Privileges or Transferred Privileged Information held jointly with the Debtors (or the ABL Collateral Trust or DIP Collateral Trust) (or their designee), (i) with respect to litigations or proceedings concerning matters in which a Debtor (or the ABL Collateral Trust or DIP Collateral Trust) has an interest as a potential defendant, the applicable Debtor shall maintain the Privileges and keep the Transferred Privileged Information confidential, and may only waive any Privileges and/or disclose in any such litigation or proceeding any or all of the Transferred Privileged Information upon receiving prior written consent from the Litigation Trust, and (ii) with respect to litigations or proceedings concerning the Litigation Trust Assets where a Debtor (or the ABL Collateral Trust or DIP Collateral Trust) has an interest as a potential defendant, the Litigation Trust shall maintain the Privileges and keep the Transferred Privileged Information confidential, and may only waive any Privileges and/or disclose in any such litigation or proceeding any or all of the Transferred Privileged Information upon receiving prior written consent from the applicable Debtor (or the ABL Collateral Trustee or DIP Collateral Trustee). The Litigation Trust and Debtors have agreed that they do not intend to provide a general waiver of all Privileges and that each such party will take commercially reasonable steps to avoid a general waiver of the Privileges.

(f) Pursuant to, *inter alia*, Federal Rule of Evidence 502(d), no Privileges shall be waived by the transfer and assignment of the Privileges or the production of any Transferred Privileged Information to the Litigation Trust or any of its respective employees, professionals or representatives, or by disclosure of such Transferred Privileged Information between the Privilege Transfer Parties, on the one hand, and the Litigation Trust, on the other hand, or any of their respective employees, professionals or representatives.

(g) Pursuant to, *inter alia,* Federal Rule of Evidence 502(c), if a Privilege Transfer Party, the Litigation Trust, any of their respective employees, professionals or representatives or any other person inadvertently produces or discloses Transferred Privileged Information to any third party, such disclosure shall not be deemed to destroy any of the Privileges, or be deemed a waiver of any confidentiality protections afforded to such Transferred Privileged Information. In such circumstances, the disclosing party shall promptly upon discovery of the disclosure notify the Litigation Trust of the disclosure and shall demand that all recipients of the inadvertently disclosed Transferred Privileged Information return or confirm the destruction of

such materials. Notwithstanding anything herein to the contrary, the Litigation Trustee has no obligation to waive privilege over any communications, information, or other similar materials when fulfilling its duties to meet and confer with any party in interest.

6.3 *Litigation Trust Waterfall.*

Proceeds from the monetization of the Litigation Trust Assets, net of expenses, shall be distributed to Litigation Trust Beneficiaries as follows: (i) *first*, to holders of Class 1 Litigation Trust Interests, which shall receive the amounts to which they are entitled pursuant to Section 6.4 of the Plan solely in respect of the Litigation Trust Funding Commitments (the "**First Return Threshold**"); (ii) *second*, following satisfaction of the First Return Threshold until aggregate distributions (including distributions pursuant to Section 6.4) equal $400,000,000 (the "**Second Return Threshold**"), (a) 15% to the holders of Class 1 Litigation Trust Interests, and (b) 85% to holders of Class 2 Litigation Trust Interests; (iii) *third*, following the satisfaction of the Second Return Threshold until aggregate distributions to holders of Class 2 Litigation Trust Interests equal the sum of the Allowed amount of the DIP A Claims (as of the Effective Date), *plus*, without duplication, any Credit Bid Claims (the "**Final Return Threshold**"), (a) 10% to holders of Class 1 Litigation Trust Interests, (b) 74% to holders of Class 2 Litigation Trust Interests, and (c) 16% to the holders of Class 3 Litigation Trust Interests; and (iv) *fourth*, following the satisfaction of the Final Return Threshold, (a) 10% to the holders of Class 1 Litigation Trust Interests and (b) 90% to the holders of Class 3 Litigation Trust Interests. Distributions to (i) holders of Class 1 Litigation Trust Interests shall be paid in accordance with Section 6.4 of the Plan; (ii) holders of Class 2 Litigation Trust Interests shall be paid pro rata based on the Class 2 Litigation Trust Interests held by such holders; and (iii) holders of Class 3 Litigation Trust Interests shall be paid pro rata based on the aggregate Allowed amount of Roll-Up Claims, Electing Creditor Claims, First Lien Claims, and Second Lien Claims held by such holders. Any provisions providing for the Litigation Trust to obtain additional funding, including any potential adjustments to the Litigation Trust Waterfall, shall be set forth in the Litigation Trust Agreement.

6.4 *Class 1 Litigation Trust Interests Waterfall.*

Distributions to the holders of Class 1 Litigation Trust Interests shall be paid as follows:

(i) *First*, to the Litigation Trust Funding Contributors, pro rata in accordance with their respective Litigation Trust Funding Contributions, until each Litigation Trust Funding Contributor has received an amount equal to the greater of (i) an internal rate of return on such Litigation Trust Funding Contributions equal to 20.0% and (ii) a multiple on invested capital on such Litigation Trust Funding Contributions of 1.75x, with each of such returns being measured from the date of such Litigation Trust Funding Contributions;

(ii) *Second*, to the Litigation Trust Funding Contributors, pro rata in accordance with the amounts of their respective undrawn Litigation Trust Funding Commitments, until each such Litigation Trust

Funding Contributor has received an amount equal to 5.0% of the amount of such undrawn Litigation Trust Funding Commitment;

(iii) *Third*, to the Backstop Parties until each such Backstop Party has received an amount equal to 5.0% of the amount of such Backstop Party's Litigation Trust Funding Commitment (whether drawn or undrawn) backstopped by such Backstop Party; and

(iv) *Fourth*, to the Litigation Trust Funding Contributors, pro rata in accordance with the amounts of their respective Litigation Trust Funding Commitments (whether drawn or undrawn, and whether or not the Commitment Period (as defined in the Litigation Trust Agreement) has lapsed), for all Litigation Trust Funding Contributors, for the life of the Litigation Trust.

6.5 *Administration of the Litigation Trust.*

The Litigation Trust shall be administered by the Litigation Trust Oversight Committee and the Litigation Trustee in accordance with the Litigation Trust Agreement and the Plan. In the event of any inconsistency between the Plan and the Litigation Trust Agreement, the Litigation Trust Agreement shall control.

6.6 *Litigation Trust Oversight Committee.*

On the Effective Date, the Litigation Trust Oversight Committee shall be appointed in accordance with the terms of the Litigation Trust Agreement. The duties and obligations of the members of the Litigation Trust Oversight Board shall be set forth in the Litigation Trust Agreement.

6.7 *Litigation Trustee.*

(a) Appointment of Litigation Trustee. Upon the establishment of the Litigation Trust, the Litigation Trustee shall be appointed. The powers, rights and responsibilities of the Litigation Trustee shall be as specified in the Litigation Trust Agreement and shall include the authority and responsibility to fulfill the items identified in this Section 6.7 of the Plan. Other rights and duties of the Litigation Trustee and the Litigation Trust Beneficiaries shall be as set forth in the Litigation Trust Agreement.

(b) Functions of the Litigation Trustee. On and after the date the Litigation Trust is established, the Litigation Trustee shall carry out the functions set forth in this Section 6.7 and may take such actions, under the supervision or with the approval of the Litigation Trust Oversight Committee, without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code and the Bankruptcy Rules, other than any restrictions expressly imposed by the Litigation Trust Agreement. Such functions shall include any and all powers and authority to:

(i) perform all actions and execute all agreements, instruments and other documents necessary to effectuate the purpose of the Litigation Trust;

(ii) take any actions necessary to (A) resolve all matters related to the Litigation Trust Assets and (B) vest such assets in the Litigation Trust;

(iii) open and maintain bank accounts on behalf of or in the name of the Litigation Trust;

(iv) maintain the books and records and accounts of the Litigation Trust and obtain any necessary insurance;

(v) coordinate with the Wind Down Administrator, the other Trustees, and any chapter 7 trustees appointed in any chapter 7 cases of the Debtors;

(vi) accept, preserve, receive, collect, manage, invest, sell, liquidate, transfer, abandon, supervise, prosecute, settle, and protect, as applicable, the Litigation Trust Assets in accordance with the Litigation Trust Agreement;

(vii) conduct investigations of the Estate Claims pursuant to Bankruptcy Rule 2004;

(viii) pursue, prosecute, settle, abandon, or otherwise resolve the Litigation Trust Assets (including any Estate Claims and including through the commencement, participation, defense, or continuation of legal proceedings, including judicial, arbitration or administrative proceedings, in any domestic or foreign jurisdiction) in accordance with the Litigation Trust Agreement;

(ix) protect and enforce the rights of the Litigation Trust in and to the Litigation Trust Assets by utilizing any foreign judicial proceedings and any applicable foreign bankruptcy, insolvency, moratorium, or similar law;

(x) administer the Litigation Trust's tax obligations, including filing tax returns and other reports (including any amended returns or claims for refund), paying tax obligations and representing the interest and account of the Litigation Trust before any taxing authority in all matters, including, without limitation, any action, suit, proceeding, audit or examination;

(xi) calculate and make distributions to Litigation Trust Beneficiaries in accordance with the Litigation Trust Agreement and the Plan;

(xii) invest Cash, as available, and any income earned thereon;

(xiii) retain, compensate and employ professionals to represent the Litigation Trust or the Litigation Trustee, as applicable;

(xiv) determine whether any Electing Creditor is an Ineligible Creditor at any time prior to making distributions to the holders of the Class 3(b) Litigation Trust Interests; *provided* that an Ineligible Creditor may seek relief from the Bankruptcy Court opposing such a determination;

(xv) dissolve the Litigation Trust in accordance with the terms of the Litigation Trust Agreement; and

(xvi) take any other actions not inconsistent with the provisions hereof and the Litigation Trust Agreement that the Litigation Trustee deems reasonably necessary or desirable in connection with the foregoing functions.

6.8 *Preference Actions.*

(a) Excluded Parties. All parties excluded pursuant to any component of this Section 6.8(a) are "**Excluded Parties**." The terms relating to Preference Actions do not apply to Excluded Parties. These terms apply only to creditors (including and together with any affiliates of such creditors):

(i) who, in the reasonable discretion of the Litigation Trustee, did not (i) engage in wrongful, actual or constructively fraudulent conduct against the Debtors, affiliates of Debtors, or otherwise participated, conspired with, or acted in concert with, any entity that participated in wrongful, actual or constructively fraudulent conduct against any Debtors, creditors, or lenders of the Debtors (or affiliates of Debtors), (ii) receive an avoidable transfer on grounds other than Section 547 of the Bankruptcy Code from the Debtors, or (iii) receive a transfer in good faith (collectively, (i) through (iii), "**Adverse Conduct**");

(1) A party not expressly named in the Litigation List (as defined below) shall be treated as an Excluded Party based on Adverse Conduct only if the Litigation Trustee either alleges and/or pleads facts alleging Adverse Conduct as (a) an element of the Preference Action or (b) (x) a cause of action in a complaint or (y) in a pleading or other filing, and in the case of both (x) and (y), in a complaint, pleading, or other filing, as applicable, that is filed prior to or substantially contemporaneously with the filing of a Preference Action. If a creditor obtains a verdict in their favor on all such alleged Adverse Conduct in a Final Order, or such allegations of Adverse Conduct are withdrawn

or counts related to such Adverse Conduct are dismissed with prejudice or on a voluntary basis by the Litigation Trustee, or dismissed without prejudice but the Litigation Trustee makes a final determination not to refile, and therefore no longer qualifies as an Excluded Party, then such creditor shall retain the benefits in this proposal (assuming all other conditions are met).

(2) For the avoidance of doubt, nothing herein shall require the Litigation Trustee to obtain a finding, determination, or Final Order related to Adverse Conduct prior to initiating a Preference Action.

(ii) that are not SPV Lenders; and

(iii) that are Electing Creditors under the Plan. Preference Actions against Ineligible Creditors and/or non-Electing Creditors shall not be subject to these terms and may be prosecuted by the (i) Litigation Trust or (ii) the FBG Debtors or their Estates, as applicable

(b) Litigation List. The Plan Supplement shall include an agreed upon non-exhaustive list (the "**Litigation List**") of enumerated litigation targets that are believed to have participated in Adverse Conduct, which shall include an initial list of Excluded Parties. For the avoidance of doubt, any Person that is charged with a crime based on conduct related to the Debtors shall be on the Litigation List, or if charged subsequent to the filing of the Plan Supplement, shall be deemed to have been on the Litigation List. For the avoidance of doubt, the Litigation Trustee is not limited in any way in prosecuting any claim or cause of action against any Person not on the Litigation List, other than as set forth in this Section 6.8 of the Plan with respect to Preference Actions, and no Person shall be entitled to rely on its absence from the Litigation List for any reason other than as set forth in this Section 6.8 of the Plan with respect to Preference Actions.

(c) Preference Actions Against Trade Creditors. Subject to the terms of Section 6.8(a), no Preference Actions shall be brought against Trade Creditors.

(d) Preference Actions Against Supply Chain Financers and Factors. Subject to the terms of Section 6.8(a), Preference Actions against Supply Chain Financers and Factors shall be brought only after the Litigation Trustee conducts reasonable due diligence and makes a good faith attempt to meet and confer with the putative defendant, which meet and confer shall include providing such putative defendant with the Litigation Trustee's analysis with respect to such putative defendant's defenses under Section 547(c)(4) of the Bankruptcy Code (the "**New Value Defense**") and providing such putative defendant with an opportunity to identify additional new value (as defined in Section 547 of the Bankruptcy Code) which was not included in the Litigation Trustee's analysis. Prior to commencing a Preference Action, the Litigation Trustee must consider the information timely provided by such putative defendant and any other affirmative defenses timely articulated by such putative defendant and provide a report to the Litigation Trust Oversight Committee setting forth the basis for litigating the Preference Action.

(i) If the Litigation Trustee, in his reasonable discretion, prosecutes a Preference Action against a Supply Chain Financer or Factor, and the Litigation Trustee agrees that in such prosecution new value includes any subsequent payment made by a Supply Chain Financer or Factor at the request of the FBG Debtors as part of the factoring or supply chain financing agreement (*i.e.*, it shall include payments to legitimate vendors of the FBG Debtors and payments made at the direction of the FBG Debtors on non-legitimate or "cover invoices"), without regard to which FBG Debtor entity such payment by a Supply Chain Financer or Factor was made on behalf of, as long as it was made on behalf of a Debtor (the "**Modified New Value Elements**"), then the prosecution shall not be considered a Sacred Right but instead a Major Decision. For the avoidance of doubt, all other elements of any Preference Action and affirmative defenses thereto, including any other component of a New Value Defense, shall apply in accordance with applicable law, including that such new value must still have been provided by the Supply Chain Financer or Factor subsequent to the applicable alleged preferential payment by the Debtor

(ii) In connection with any prosecution by the Litigation Trustee that utilizes the Modified New Value Elements, to the extent that any payment made by a Supply Chain Financer or Factor was received by a non-Debtor (*e.g.*, it was made to a legitimate creditor of a non-Debtor, the funds were ultimately received by an Eligible Creditor or its affiliates) and the Supply Chain Financer or Factor has the right to recover such payment from that non-Debtor, such right must be assigned to the Litigation Trust for prosecution by the Litigation Trust in order for such payment to qualify as new value and for the creditor to receive the benefit of a prosecution utilizing Modified New Value Elements (and that such assignment may be conditional upon the payment being considered new value).

(iii) If the Litigation Trustee, in his reasonable discretion, seeks to prosecute a Preference Action against a Supply Chain Financer or Factor, and the Litigation Trustee determines, in his reasonable discretion, to seek to prosecute such Preference Action without utilizing all of the Modified New Value Elements, then proceeding with the Preference Action shall be considered a Sacred Right instead of a Major Decision; *provided* that, the only modifications to the Modified New Value Elements that the Litigation Trustee is permitted to make under this subparagraph is to assert that (a) the alleged new value was provided on behalf of a non-Debtor entity (*e.g.*, a payment on an invoice owed by a non-Debtor); or (b) the alleged new value provided was not received directly or indirectly by a Debtor or by Bowery Finance II, and therefore, in both cases, does not qualify as new value.

(iv) For the avoidance of doubt, if a Supply Chain Financer or Factor (i) is or becomes an Excluded Party or (ii) did not transact with FBG in good faith, then none of the provisions of this Section 6.8(d) shall apply to such Person. Nothing in this Section 6.8(d) shall shift the burden of proof under applicable law with respect to Preference Actions.

(e) Litigation Trust's Authority to Commence Preference Actions. The Litigation Trust's authority to commence Preference Actions against Supply Chain Financers and Factors shall exist only if the process in Section 6.8(d) above is undertaken by the Litigation Trustee in good faith. Good faith shall be conclusively established if the Preference Action is authorized by a majority of the Litigation Trust Oversight Committee, in accordance with the Litigation Trust Agreement; *provided* that the absence of any such authorization shall not establish a lack of good faith.

6.9 *Fees and Expenses of the Litigation Trust*.

(a) Following the establishment of the Litigation Trust, expenses of the Litigation Trust shall be paid from the Litigation Trust Assets in the ordinary course of business, in accordance with the Litigation Trust Agreement. Without any further notice to any party or action, order or approval of the Bankruptcy Court, the Litigation Trustee, on behalf of the Litigation Trust, may employ and pay, in the ordinary course of business, the reasonable fees of any professional for services rendered or expenses incurred that, in the discretion of the Litigation Trustee, are necessary to assist the Litigation Trustee in the performance of the Litigation Trustee's duties under the Litigation Trust Agreement, subject to any limitations and procedures established by the Litigation Trust Agreement.

(b) The Litigation Trustee may retain professionals or consultants (including attorneys, accountants, appraisers, financial advisors, expert witnesses or other parties determined by the Litigation Trustee to have qualifications necessary or desirable to assist in the investigation, prosecution and/or settlement of the Litigation Trust Assets, including any Estate Claims).

6.10 *Indemnification*.

The Litigation Trust shall indemnify and hold harmless the Litigation Trustee and the members of the Litigation Trust Oversight Committee, in their capacities as such, for any losses incurred in such capacities, except to the extent such losses were the result of such party's fraud, bad faith, gross negligence, willful misconduct, or criminal misconduct.

6.11 *Dissolution of the Litigation Trust*.

In no event shall the Litigation Trust be dissolved later than five (5) years from the date the Litigation Trust is established unless the Bankruptcy Court, upon motion made within the six (6) month period before such fifth anniversary (and, in the event of further extension, by order of the Bankruptcy Court, upon motion made within the six (6) month period before the end of the preceding extension), determines that a fixed period extension (not to exceed three years, together with any prior extensions, without a favorable private letter ruling from the IRS or an opinion of counsel satisfactory to the Litigation Trustee that any further extension would not adversely affect

the status of the trust as a liquidating trust for U.S. federal income tax purposes) is necessary to facilitate or complete the recovery on, and liquidation of, the Litigation Trust Assets.

6.12 ***Records.***

The Litigation Trustee shall be provided with originals or copies of or access to all documents, business records, and other information of the Debtors necessary, as reasonably determined by the Litigation Trustee, for the disposition of the Litigation Trust Assets.

6.13 ***Turnover of DIP Collateral.***

If the Litigation Trust, the ABL Collateral Trust, or the Direct Claims Trust receives DIP Collateral Trust Assets, such DIP Collateral Trust Assets shall be assigned, turned over, or otherwise transferred to (or held in trust for the benefit of) the DIP Collateral Trust.

6.14 ***Assignment of Horizon Alester IP.***

To the extent (i) all or a portion of the Horizon Alester IP is sold (the "**Purchased Horizon Alester IP**") and (ii) the resolution, final judgment or settlement of the James Complaint results in the avoidance of purported transfers of such Purchased Horizon Alester IP and recovery of such Purchased Horizon Alester IP by the Litigation Trust (as assignee of the FBG Debtors and their Estates), the Litigation Trustee, on behalf of the Litigation Trust, shall, in accordance with any applicable purchase agreements, execute a supplemental assignment agreement assigning, conveying, transferring, and delivering the Purchased Horizon Alester IP to the applicable purchaser.

6.15 ***Non-Transferability.***

The Litigation Trust Interests shall not be certificated, and shall be nontransferable and non-assignable except by will, intestate, succession, or operation of law.

6.16 ***Litigation Trust Tax and Other Matters.***

(a) Tax Treatment. The Litigation Trust is intended to be treated for U.S. federal income tax purposes as a "liquidating trust" described in Treasury Regulation section 301.7701- 4(d) that is a "grantor trust" for U.S. federal income tax purposes (except to the extent any assets allocable to, or held on account of, Disputed Claims are treated as a "disputed ownership fund" within the meaning of Treasury Regulations section 1.468B-1 et seq. or other separate taxable entity). Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including the receipt of an adverse determination by the IRS upon audit if not contested by the Litigation Trustee), all parties (including, without limitation, the Debtors, the Litigation Trustee, and the Litigation Trust Beneficiaries) shall treat for U.S. federal income tax purposes the transfer of the Litigation Trust Assets to the Litigation Trust as (i) the transfer of such assets by the Debtors directly to the holders of Allowed Claims entitled to receive Litigation Trust Interests in satisfaction of their Claims, other than to the extent any assets allocable to, or held on account of, Disputed Claims are treated as a "disputed ownership fund" or other separate taxable entity, followed by (ii) the transfer of such assets by such holders to the Litigation Trust in exchange for the beneficial interests in the Litigation Trust. Accordingly, absent definitive

guidance to the contrary, the Litigation Trust Beneficiaries shall be treated for U.S. federal income tax purposes as the grantors and owners of their respective share of Litigation Trust Assets (other than to the extent any such assets allocable to, or held on account of, Disputed Claims are treated as a disputed ownership fund or other separate taxable entity).

(b) Liquidation Purpose of the Litigation Trust; No Successor in Interest. The Litigation Trust shall be established for the primary purpose of liquidating and distributing the Litigation Trust Assets, in accordance with Treasury Regulation section 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Litigation Trust. Accordingly, the Litigation Trustee shall, in an expeditious but orderly manner, liquidate and convert to Cash the Litigation Trust Assets, make timely distributions to the Litigation Trust Beneficiaries, as applicable, and not unduly prolong their duration. The Litigation Trustee shall distribute at least annually to the Litigation Trust Beneficiaries any Available Cash. The Litigation Trust shall not be deemed a successor-in-interest of the Debtors for any purpose other than as specifically set forth in the Plan or the Litigation Trust Agreement. The record holders of beneficial interests shall be recorded and set forth in a register maintained by the Litigation Trustee expressly for such purpose. Notwithstanding anything in the Plan or Litigation Trust Agreement to the contrary, the Litigation Trustee shall always act consistently with, and not contrary to, the purpose of the Litigation Trust as set forth in the Plan.

(c) Cash Investments. The right and power of the Litigation Trustee to invest the Litigation Trust Assets, the proceeds thereof, or any income earned by the Litigation Trust, shall be limited to the right and power that a liquidating trust, within the meaning of section 301.7701-4(d) of the Treasury Regulations, is permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, including Revenue Procedure 94-45, whether set forth in IRS rulings or other IRS pronouncements. The Litigation Trustee may expend the Cash of the Litigation Trust (i) as reasonably necessary to meet contingent liabilities and to maintain the value of the Litigation Trust Assets during liquidation, (ii) to pay the reasonable administrative expenses (including, but not limited to, any taxes imposed on the Litigation Trust) and (iii) to satisfy other respective liabilities incurred by the Litigation Trust in accordance with the Plan and the Litigation Trust Agreement (including, without limitation, the payment of any taxes).

(d) Tax Reporting and Tax Payments.

(i) The Litigation Trustee shall file tax returns for the Litigation Trust treating the Litigation Trust as a grantor trust pursuant to Treas. Reg. § 1.671-4(a) and in accordance with this Section 6.16(d). The Litigation Trustee also shall annually send to each holder of a Litigation Trust Interest, a separate statement regarding the receipts and expenditures of the Litigation Trust as relevant for U.S. federal income tax purposes and shall instruct all such holders to use such information in preparing their U.S. federal income tax returns or to forward the appropriate information to such holders' underlying

beneficial holders with instructions to utilize such information in preparing their U.S. federal income tax returns.

(ii) As soon as practicable following the establishment of the Litigation Trust, the Litigation Trustee shall make a good faith determination of the fair market value of the Litigation Trust Assets as of the date the Litigation Trust is established. The Litigation Trustee shall provide all parties with such valuation as relevant from time to time. This valuation shall be used consistently by all parties for all U.S. federal income tax purposes.

(iii) Allocations of Litigation Trust taxable income among Litigation Trust Beneficiaries (other than taxable income allocable to any assets treated as held by a disputed ownership fund or other separate taxable entity with respect to Disputed Claims) shall be determined by reference to the manner in which an amount of Cash representing such taxable income would be distributed (were such Cash permitted to be distributed at such time) under the Litigation Trust Agreement if, immediately prior to such deemed distribution, the Litigation Trust had distributed all its assets (valued at their tax book value, other than assets treated as held by a disputed ownership fund or other separate taxable entity with respect to Disputed Claims) to the holders of Litigation Trust Interests, adjusted for prior taxable income and loss and taking into account all prior and concurrent distributions from the Litigation Trust. Similarly, taxable loss of the Litigation Trust shall be allocated by reference to the manner in which an economic loss would be borne immediately after a hypothetical liquidating distribution of the remaining Litigation Trust Assets. The tax book value of Litigation Trust Assets for purpose of this paragraph shall equal their fair market value on the date Litigation Trust Assets are transferred to the Litigation Trust, adjusted in accordance with tax accounting principles prescribed by the United States Internal Revenue Code of 1986, as amended from time to time, the applicable Treasury Regulations, and other applicable administrative and judicial authorities and pronouncements.

(iv) The Litigation Trust shall be responsible for payment, out of Litigation Trust Assets, of any taxes imposed on the Litigation Trust or the Litigation Trust Assets. More particularly, any taxes imposed on any Disputed Claim Reserve or its assets will be paid out of the assets of the Disputed Claim Reserve (including any Litigation Trust Assets allocable to, or held on account of, Disputed Claims), and netted against any subsequent distributions in respect of the allowance or disallowance of such Claims. In the event, and to the extent, any Cash in any Disputed Claim Reserve is insufficient to pay the portion of any taxes attributable to taxable income arising

from assets of the Disputed Claim Reserve (including any income that may arise upon an actual or constructive distribution of the assets of the reserve in respect of the resolution of Disputed Claims), assets of the Disputed Claim Reserve (including those otherwise distributable) may be sold to pay such taxes.

(v) The Litigation Trustee may request an expedited determination of taxes of the Litigation Trust (including, to the extent any assets allocable to, or held on account of, Disputed Claims are treated as a disputed ownership fund or other separate taxable entity in relation to the Litigation Trust, taxes of such fund or other separate taxable entity), under section 505(b) of the Bankruptcy Code, for all tax returns filed for, or on behalf of, the Litigation Trust (or any such disputed ownership fund or other separate taxable entity) for all taxable periods through the dissolution of the Litigation Trust. Similarly, the GUC Ombudsman may request expedited determinations of taxes under section 505(b) of the Bankruptcy Code in respect of any assets allocable to, or held on account of, Disputed Electing Creditor Claims that it has treated as a disputed ownership fund or other separate taxable entity.

(vi) Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including the receipt by the Litigation Trustee of a private letter ruling if the Litigation Trustee or, in respect of Disputed Electing Creditor Claims, the GUC Ombudsman so requests one, or the receipt of an adverse determination by the IRS upon audit if not contested by such Litigation Trustee), the Litigation Trustee or the GUC Ombudsman (as applicable) may elect to treat any Litigation Trust Assets allocable to, or held on account of, any Disputed Claims as a "disputed ownership fund" governed by Treas. Reg. § 1.468B-9 or other separate taxable entity, and shall report consistently therewith for state and local income tax purposes. If a "disputed ownership fund" election is made (or all or any portion of the Litigation Trust Assets allocable to, or held on account of, Disputed Claims is otherwise treated as a separate taxable entity), all parties (including the Litigation Trustee, the GUC Ombudsman and Litigation Trust Beneficiaries) shall report for U.S. federal, state and local income taxes consistently with the foregoing.

(vii) The treatment provided in this Section 6.16, to the extent permitted by applicable law, shall also apply for state and local tax purposes and all parties shall report consistent therewith.

ARTICLE VII. DIP COLLATERAL TRUST.

7.1 *Establishment of the DIP Collateral Trust.*

On or prior to the Effective Date, the DIP Collateral Trust shall be established in accordance with the DIP Collateral Trust Agreement for the purpose of being vested with and liquidating the DIP Collateral Trust Assets, and making distributions to the DIP Collateral Trust Beneficiaries in accordance with the terms of the DIP Collateral Trust Agreement and the Plan. For the avoidance of doubt, and notwithstanding anything to the contrary in the Plan, the DIP Collateral Trust's primary purpose is liquidating the DIP Collateral Trust Assets, with no objective to continue or engage in the conduct of a trade or business except to the extent reasonably necessary to, and consistent with, the DIP Collateral Trust's liquidating purpose and reasonably necessary to conserve and protect the DIP Collateral Trust Assets and provide for the orderly liquidation thereof.

7.2 *Transfer of Assets into the DIP Collateral Trust.*

On the Effective Date or as soon as reasonably practicable thereafter and following the consummation of the DIP Collateral Credit Bid Transaction, the Plan Debtor shall transfer its remaining interests in the DIP Collateral Trust Assets to the DIP Collateral Trust, and all such assets shall vest in the DIP Collateral Trust (free and clear of all Liens, Claims, encumbrances and Interests (legal, beneficial or otherwise)) on such date, to be administered by the DIP Collateral Trustee, in accordance with the Plan and the DIP Collateral Trust Agreement. The DIP Collateral Trustee shall have the authority to create additional sub-accounts in trust accounts and sub-trusts within the DIP Collateral Trust, which may have a separate legal existence, but which shall be considered sub-accounts or sub-trusts of the DIP Collateral Trust. The act of transferring the DIP Collateral Trust Assets, as authorized by the Plan, shall not be construed to destroy or limit any such assets or rights or be construed as a waiver of any right, and such rights may be asserted by the DIP Collateral Trust as if the asset or right was still held by the applicable Debtor. Upon the transfer of the DIP Collateral Trust Assets to the DIP Collateral Trust, the Debtors shall have no interest in or with respect to the DIP Collateral Trust Assets or the DIP Collateral Trust. Upon delivery of the DIP Collateral Trust Assets to the DIP Collateral Trust, the FBG Debtors and their predecessors, successors and assigns, shall be released from all liability with respect to the delivery thereof and shall have no reversionary or further interest in or with respect to the DIP Collateral Trust Assets or the DIP Collateral Trust. Notwithstanding the foregoing, for purposes of section 553 of the Bankruptcy Code, the transfer of the DIP Collateral Trust Assets to the DIP Collateral Trust shall not affect the mutuality of obligations that otherwise may have existed prior to the effectuation of such transfer. Such transfer shall be exempt from any stamp, real estate transfer, mortgage reporting, sales, use, or other similar tax, pursuant to section 1146(a) of the Bankruptcy Code. In connection with the transfer of such assets, any attorney client privilege, work product privilege, or other privilege or immunity attaching to any documents or communications (whether written or oral) transferred to the DIP Collateral Trust shall vest in the DIP Collateral Trust and its representatives, and the Debtors and the DIP Collateral Trustee are directed to take all necessary actions to effectuate the transfer of such privileges. The DIP Collateral Trustee shall agree to accept and hold the DIP Collateral Trust Assets in the DIP Collateral Trust for the benefit of the DIP Collateral Trust Beneficiaries, subject to the terms of the Plan and the DIP Collateral Trust Agreement.

7.3 *DIP Collateral Trustee.*

(a) Appointment of DIP Collateral Trustee. Upon the establishment of the DIP Collateral Trust, the DIP Collateral Trustee shall be appointed as trustee of the DIP Collateral Trust. The powers, rights and responsibilities of the DIP Collateral Trustee shall be as specified in the DIP Collateral Trust Agreement and Plan and shall include the authority and responsibility to fulfill the items identified in this Section 7.3 of the Plan. Other rights and duties of the DIP Collateral Trustee and the DIP Collateral Trust Beneficiaries shall be as set forth in the DIP Collateral Trust Agreement.

(b) Functions of the DIP Collateral Trustee. Following the establishment of the DIP Collateral Trust, the DIP Collateral Trustee and/or the DIP Collateral Trust, as applicable, shall carry out the functions set forth in this Section 7.3 and may take such actions without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code and the Bankruptcy Rules, other than any restrictions expressly imposed by the Plan, the Confirmation Order or the DIP Collateral Trust Agreement. Such functions shall include any and all powers and authority to:

(i) perform all actions and execute all agreements, instruments and other documents necessary to effectuate the purpose of the DIP Collateral Trust;

(ii) take any actions necessary to (A) resolve all matters related to the DIP Collateral Trust Assets and (B) vest such assets in the DIP Collateral Trust;

(iii) open and maintain bank accounts on behalf of or in the name of the DIP Collateral Trust;

(iv) maintain the books and records and accounts of the DIP Collateral Trust and obtain any necessary insurance;

(v) coordinate with the Wind Down Administrator, the other Trustees, and any chapter 7 trustees appointed in any chapter 7 cases of the Debtors;

(vi) accept, preserve, receive, collect, manage, invest, sell, liquidate, transfer, abandon, supervise, prosecute, settle, and protect, as applicable, the DIP Collateral Trust Assets in accordance with the DIP Collateral Trust Agreement;

(vii) administer the DIP Collateral Trust's tax obligations, including filing tax returns and other reports (including any amended returns or claims for refund), paying tax obligations and representing the interest and account of the DIP Collateral Trust before any taxing authority in all matters including, without limitation, any action, suit, proceeding, audit or examination;

(viii) calculate and make distributions to the DIP Collateral Trust Beneficiaries in accordance with the DIP Collateral Trust Agreement and the Plan;

(ix) invest Cash, as available, and any income earned thereon;

(x) retain, compensate and employ professionals to represent the DIP Collateral Trust or the DIP Collateral Trustee, as applicable;

(xi) dissolve the DIP Collateral Trust in accordance with the terms of the DIP Collateral Trust Agreement; and

(xii) take any other actions not inconsistent with the provisions hereof that the DIP Collateral Trustee deems reasonably necessary or desirable in connection with the foregoing functions.

7.4 *Fees and Expenses of the DIP Collateral Trust.*

Following the establishment of the DIP Collateral Trust, expenses of the DIP Collateral Trust shall be paid from the DIP Collateral Trust Assets in the ordinary course of business, in accordance with the Plan and the DIP Collateral Trust Agreement. Without any further notice to any party or action, order or approval of the Bankruptcy Court, the DIP Collateral Trustee, on behalf of the DIP Collateral Trust, may employ and pay, in the ordinary course of business, the reasonable fees of any professional for services rendered or expenses incurred that, in the discretion of the DIP Collateral Trustee, are necessary to assist the DIP Collateral Trustee in the performance of the DIP Collateral Trustee's duties under the Plan and the DIP Collateral Trust Agreement, subject to any limitations and procedures established by the DIP Collateral Trust Agreement.

7.5 *Indemnification.*

The DIP Collateral Trust shall indemnify and hold harmless the DIP Collateral Trustee, in its capacity as such, for any losses incurred in such capacity, except to the extent such losses were the result of such party's fraud, bad faith, gross negligence, willful misconduct, or criminal misconduct.

7.6 *Dissolution of the DIP Collateral Trust.*

In no event shall the DIP Collateral Trust be dissolved later than five (5) years from the date the DIP Collateral Trust is established unless the Bankruptcy Court, upon motion made within the six (6) month period before such fifth anniversary (and, in the event of further extension, by order of the Bankruptcy Court, upon motion made within the six (6) month period before the end of the preceding extension), determines that a fixed period extension (not to exceed three years, together with any prior extensions, without a favorable private letter ruling from the IRS or an opinion of counsel satisfactory to the DIP Collateral Trustee that any further extension would not adversely affect the status of the trust as a liquidating trust for U.S. federal income tax purposes) is necessary to facilitate or complete the recovery on, and liquidation of, the DIP Collateral Trust Assets.

7.7 *Records.*

The DIP Collateral Trustee shall be provided with originals or copies of or access to all documents, business records, and other information of the Debtors necessary, as reasonably determined by the DIP Collateral Trustee, for the disposition of DIP Collateral Trust Assets, subject to the payment of any fees, costs, or expenses of providing such documents, business records, and other information.

7.8 *Non-Transferability.*

The DIP Collateral Trust Interests shall not be certificated, and shall be nontransferable and non-assignable except by will, intestate, succession, or operation of law.

7.9 *DIP Collateral Trust Tax and Other Matters.*

(a) Tax Treatment. The DIP Collateral Trust is intended to be treated for U.S. federal income tax purposes as a "liquidating trust" described in Treasury Regulation section 301.7701- 4(d) that is a "grantor trust" for U.S. federal income tax purposes. Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including the receipt of an adverse determination by the IRS upon audit if not contested by the DIP Collateral Trustee), all parties (including, without limitation, the Debtors, the DIP Collateral Trustee, and the DIP Collateral Trust Beneficiaries) shall treat for U.S. federal income tax purposes the transfer of the DIP Collateral Trust Assets to the DIP Collateral Trust as (i) the transfer of such assets by the Debtors directly to the holders of Allowed Claims entitled to receive DIP Collateral Trust Interests in satisfaction of their Claims, followed by (ii) the transfer of such assets by such holders to the DIP Collateral Trust in exchange for the beneficial interests in the DIP Collateral Trust. Accordingly, absent definitive guidance to the contrary, the DIP Collateral Trust Beneficiaries shall be treated for U.S. federal income tax purposes as the grantors and owners of their respective share of DIP Collateral Trust Assets.

(b) Liquidation Purpose of the DIP Collateral Trust; No Successor in Interest. The DIP Collateral Trust shall be established for the primary purpose of liquidating and distributing the DIP Collateral Trust Assets, in accordance with Treasury Regulation section 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the DIP Collateral Trust. Accordingly, the DIP Collateral Trustee shall, in an expeditious but orderly manner, liquidate and convert to Cash the DIP Collateral Trust Assets, make timely distributions to the DIP Collateral Trust Beneficiaries, as applicable, and not unduly prolong their duration. The DIP Collateral Trustee shall distribute at least annually to the DIP Collateral Trust Beneficiaries any Available Cash. The DIP Collateral Trust shall not be deemed a successor-in-interest of the Debtors for any purpose other than as specifically set forth in the Plan or the DIP Collateral Trust Agreement. The record holders of beneficial interests shall be recorded and set forth in a register maintained by the DIP Collateral Trustee expressly for such purpose. Notwithstanding anything in the Plan or DIP Collateral Trust Agreement to the contrary, the DIP Collateral Trustee shall always act consistently with, and not contrary to, the purpose of the DIP Collateral Trust as set forth in the Plan.

(c) Cash Investments. The right and power of the DIP Collateral Trustee to invest the DIP Collateral Trust Assets, the proceeds thereof, or any income earned by the DIP Collateral Trust, shall be limited to the right and power that a liquidating trust, within the meaning of section 301.7701-4(d) of the Treasury Regulations, is permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, including Revenue Procedure 94-45, whether set forth in IRS rulings or other IRS pronouncements. The DIP Collateral Trustee may expend the Cash of the DIP Collateral Trust (i) as reasonably necessary to meet contingent liabilities and to maintain the value of the DIP Collateral Trust Assets during liquidation, (ii) to pay the reasonable administrative expenses (including, but not limited to, any taxes imposed on the DIP Collateral Trust) and (iii) to satisfy other respective liabilities incurred by the DIP Collateral Trust in accordance with the Plan and the DIP Collateral Trust Agreement (including, without limitation, the payment of any taxes).

(d) Tax Reporting and Tax Payments.

(i) The DIP Collateral Trustee shall file tax returns for the DIP Collateral Trust treating the DIP Collateral Trust as a grantor trust pursuant to Treas. Reg. § 1.671-4(a) and in accordance with this Section 7.9(d). The DIP Collateral Trustee also shall annually send to each holder of a DIP Collateral Trust Interest, a separate statement regarding the receipts and expenditures of the DIP Collateral Trust as relevant for U.S. federal income tax purposes and shall instruct all such holders to use such information in preparing their U.S. federal income tax returns or to forward the appropriate information to such holders' underlying beneficial holders with instructions to utilize such information in preparing their U.S. federal income tax returns.

(ii) As soon as practicable following the establishment of the DIP Collateral Trust, the DIP Collateral Trustee shall make a good faith determination of the fair market value of the DIP Collateral Trust Assets as of the date the DIP Collateral Trust is established. The DIP Collateral Trustee shall provide all parties with such valuation as relevant from time to time. This valuation shall be used consistently by all parties for all U.S. federal income tax purposes.

(iii) Allocations of DIP Collateral Trust taxable income among DIP Collateral Trust Beneficiaries shall be determined by reference to the manner in which an amount of Cash representing such taxable income would be distributed (were such Cash permitted to be distributed at such time) if, immediately prior to such deemed distribution, the DIP Collateral Trust had distributed all its assets (valued at their tax book value, other than assets treated as held by a disputed ownership fund or other separate taxable entity with respect to Disputed Claims) to the holders of DIP Collateral Trust Interests, adjusted for prior taxable income and loss and taking into account all prior and concurrent distributions from the DIP

Collateral Trust. Similarly, taxable loss of the DIP Collateral Trust shall be allocated by reference to the manner in which an economic loss would be borne immediately after a hypothetical liquidating distribution of the remaining DIP Collateral Trust Assets. The tax book value of DIP Collateral Trust Assets for purpose of this paragraph shall equal their fair market value on the date DIP Collateral Trust Assets are transferred to the DIP Collateral Trust, adjusted in accordance with tax accounting principles prescribed by the United States Internal Revenue Code of 1986, as amended from time to time, the applicable Treasury Regulations, and other applicable administrative and judicial authorities and pronouncements.

(iv) The DIP Collateral Trust shall be responsible for payment, out of DIP Collateral Trust Assets, of any taxes imposed on the DIP Collateral Trust or the DIP Collateral Trust Assets.

(v) The DIP Collateral Trustee may request an expedited determination of taxes of the DIP Collateral Trust under section 505(b) of the Bankruptcy Code, for all tax returns filed for, or on behalf of, the DIP Collateral Trust for all taxable periods through the dissolution of the DIP Collateral Trust.

(vi) The treatment provided in this Section 7.9, to the extent permitted by applicable law, shall also apply for state and local tax purposes and all parties shall report consistent therewith.

ARTICLE VIII. ABL COLLATERAL TRUST.

8.1 *Establishment of the ABL Collateral Trust.*

On or prior to the Effective Date, the ABL Collateral Trust shall be established in accordance with the ABL Collateral Trust Agreement for the purpose of being vested with and liquidating the ABL Collateral Trust Assets and making distributions to holders of Allowed Claims in accordance with the terms of the ABL Collateral Trust Agreement and the Plan. For the avoidance of doubt, and notwithstanding anything to the contrary in the Plan, the ABL Collateral Trust's primary purpose is liquidating the ABL Collateral Trust Assets, with no objective to continue or engage in the conduct of a trade or business except to the extent reasonably necessary to, and consistent with, the ABL Collateral Trust's liquidating purpose and reasonably necessary to conserve and protect the ABL Collateral Trust Assets and provide for the orderly liquidation thereof.

8.2 *Transfer of Assets into the ABL Collateral Trust.*

On the Effective Date or as soon as reasonably practicable thereafter and following the consummation of the DIP Collateral Credit Bid Transaction, the Debtors shall transfer the ABL Collateral Trust Assets to the ABL Collateral Trust, and all such assets shall vest in the ABL

Collateral Trust (free and clear of all Liens, Claims, encumbrances and Interests (legal, beneficial or otherwise)) on such date, to be administered by the ABL Collateral Trustee, in accordance with the Plan and the ABL Collateral Trust Agreement. The ABL Collateral Trustee shall have the authority to create additional sub-accounts in trust accounts and sub-trusts within the ABL Collateral Trust, which may have a separate legal existence, but which shall be considered sub-accounts or sub-trusts of the ABL Collateral Trust. The act of transferring the ABL Collateral Trust Assets, as authorized by the Plan, shall not be construed to destroy or limit any such assets or rights or be construed as a waiver of any right, and such rights may be asserted by the ABL Collateral Trust as if the asset or right was still held by the applicable Debtor. Upon the transfer of the ABL Collateral Trust Assets to the ABL Collateral Trust, the Debtors shall have no interest in or with respect to the ABL Collateral Trust Assets or the ABL Collateral Trust. Upon delivery of the ABL Collateral Trust Assets to the ABL Collateral Trust, the FBG Debtors and their predecessors, successors and assigns, shall be released from all liability with respect to the delivery thereof and shall have no reversionary or further interest in or with respect to the ABL Collateral Trust Assets or the ABL Collateral Trust. Notwithstanding the foregoing, for purposes of section 553 of the Bankruptcy Code, the transfer of the ABL Collateral Trust Assets to the ABL Collateral Trust shall not affect the mutuality of obligations that otherwise may have existed prior to the effectuation of such transfer. Such transfer shall be exempt from any stamp, real estate transfer, mortgage reporting, sales, use, or other similar tax, pursuant to section 1146(a) of the Bankruptcy Code. In connection with the transfer of such assets, any attorney client privilege, work product privilege, or other privilege or immunity attaching to any documents or communications (whether written or oral) transferred to the ABL Collateral Trust shall vest in the ABL Collateral Trust and its representatives, and the Debtors and the ABL Collateral Trustee are directed to take all necessary actions to effectuate the transfer of such privileges. The ABL Collateral Trustee shall agree to accept and hold the ABL Collateral Trust Assets in the ABL Collateral Trust for the benefit of the ABL Collateral Trust Beneficiaries, subject to the terms of the Plan and the ABL Collateral Trust Agreement.

8.3 *ABL Collateral Trust Waterfall*.

Proceeds of the ABL Collateral Trust Assets, net of expenses, shall be distributed to ABL Collateral Trust Beneficiaries as follows: one-hundred percent (100%) of such proceeds shall be distributed to the ABL Collateral Trust Beneficiaries until aggregate distributions equal the Allowed amount of the ABL Claims; *provided* that any proceeds of the ABL Collateral Trust Assets in excess of the Allowed amount of the ABL Claims shall be deemed to be DIP Collateral Trust Assets and shall be turned over to the DIP Collateral Trust and distributed in accordance with the Plan. Distributions to holders of ABL Collateral Trust Interests shall be paid pro rata based on the ABL Collateral Trust Interests held by such holders.

8.4 *ABL Collateral Trustee*.

(a) Appointment of ABL Collateral Trustee. Upon the establishment of the ABL Collateral Trust, the ABL Collateral Trustee shall be appointed as the trustee of the ABL Collateral Trust. The initial ABL Collateral Trustee shall be selected and appointed by the ABL Agent, and the ABL Agent shall have the sole right to remove and replace the ABL Collateral Trustee. The powers, rights and responsibilities of the ABL Collateral Trustee shall be as specified in the ABL Collateral Trust Agreement and Plan and shall include the authority and responsibility

to fulfill the items identified in this Section 8.4 of the Plan. Other rights and duties of the ABL Collateral Trustee and the ABL Collateral Trust Beneficiaries shall be as set forth in the ABL Collateral Trust Agreement.

(b) Functions of the ABL Collateral Trustee. Following the establishment of the ABL Collateral Trust, the ABL Collateral Trustee and/or the ABL Collateral Trust, as applicable, shall carry out the functions set forth in this Section 8.4 and may take such actions without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code and the Bankruptcy Rules, other than any restrictions expressly imposed by the Plan, the Confirmation Order or the ABL Collateral Trust Agreement. Such functions shall include any and all powers and authority to:

(i) perform all actions and execute all agreements, instruments and other documents necessary to effectuate the purpose of the ABL Collateral Trust;

(ii) take any actions necessary to (A) resolve all matters related to the ABL Collateral Trust Assets and (B) vest such assets in the ABL Collateral Trust;

(iii) open and maintain bank accounts on behalf of or in the name of the ABL Collateral Trust;

(iv) maintain the books and records and accounts of the ABL Collateral Trust and obtain any necessary insurance;

(v) coordinate with the Wind Down Administrator, the other Trustees, and any chapter 7 trustees appointed in any chapter 7 cases of the Debtors;

(vi) accept, preserve, receive, collect, manage, invest, sell, liquidate, transfer, abandon, supervise, prosecute, settle, and protect, as applicable, the ABL Collateral Trust Assets in accordance with the ABL Collateral Trust Agreement;

(vii) administer the ABL Collateral Trust's tax obligations, including filing tax returns and other reports (including any amended returns or claims for refund), paying tax obligations and representing the interest and account of the ABL Collateral Trust before any taxing authority in all matters including, without limitation, any action, suit, proceeding, audit or examination;

(viii) calculate and make distributions of the ABL Collateral Trust Beneficiaries in accordance with the ABL Collateral Trust Agreement and the Plan;

(ix) invest Cash, as available, and any income earned thereon;

(x) retain, compensate and employ professionals to represent the ABL Collateral Trust or the ABL Collateral Trustee, as applicable;

(xi) provide funding for the administration of the Factored Receivables Account and prosecution of the FBG Debtors' interests in the Factored Receivables Account in accordance with the Plan;

(xii) dissolve the ABL Collateral Trust in accordance with the terms of the ABL Collateral Trust Agreement; and

(xiii) take any other actions not inconsistent with the provisions hereof that the ABL Collateral Trustee deems reasonably necessary or desirable in connection with the foregoing functions.

8.5 ***Fees and Expenses of the ABL Collateral Trust.***

Following the establishment of the ABL Collateral Trust, expenses of the ABL Collateral Trust shall be paid from the ABL Collateral Trust Assets in the ordinary course of business, in accordance with the Plan and the ABL Collateral Trust Agreement. Without any further notice to any party or action, order or approval of the Bankruptcy Court, the ABL Collateral Trustee, on behalf of the ABL Collateral Trust, may employ and pay, in the ordinary course of business, the reasonable fees of any professional for services rendered or expenses incurred that, in the discretion of the ABL Collateral Trustee, are necessary to assist the ABL Collateral Trustee in the performance of the ABL Collateral Trustee's duties under the Plan and the ABL Collateral Trust Agreement, subject to any limitations and procedures established by the ABL Collateral Trust Agreement.

8.6 ***Indemnification.***

The ABL Collateral Trust shall indemnify and hold harmless the ABL Collateral Trustee and the ABL Agent, in their capacities as such, for any losses incurred in such capacity, except to the extent such losses were the result of such party's fraud, bad faith, gross negligence, willful misconduct, or criminal misconduct.

8.7 ***Dissolution of the ABL Collateral Trust.***

In no event shall the ABL Collateral Trust be dissolved later than five (5) years from the date the ABL Collateral Trust is established unless the Bankruptcy Court, upon motion made within the six (6) month period before such fifth anniversary (and, in the event of further extension, by order of the Bankruptcy Court, upon motion made within the six (6) month period before the end of the preceding extension), determines that a fixed period extension (not to exceed three years, together with any prior extensions, without a favorable private letter ruling from the IRS or an opinion of counsel satisfactory to the ABL Collateral Trustee that any further extension would not adversely affect the status of the trust as a liquidating trust for U.S. federal income tax purposes) is necessary to facilitate or complete the recovery on, and liquidation of, the ABL Collateral Trust Assets.

8.8 *Records.*

The ABL Collateral Trustee shall be provided with originals or copies of or access to all documents, business records, and other information of the Debtors necessary, as reasonably determined by the ABL Collateral Trustee, for the disposition of ABL Collateral Trust Assets, subject to the payment of any fees, costs, or expenses of providing such documents, business records, and other information.

8.9 *Non-Transferability.*

The ABL Collateral Trust Interests shall not be certificated, and shall be nontransferable and non-assignable except by will, intestate, succession, or operation of law.

8.10 *ABL Collateral Trust Tax and Other Matters.*

(a) Tax Treatment. The ABL Collateral Trust is intended to be treated for U.S. federal income tax purposes as a "liquidating trust" described in Treasury Regulation section 301.7701- 4(d) that is a "grantor trust" for U.S. federal income tax purposes (except to the extent any assets allocable to, or held on account of, Disputed Claims are treated as a "disputed ownership fund" within the meaning of Treasury Regulations section 1.468B-1 et seq. or other separate taxable entity). Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including the receipt of an adverse determination by the IRS upon audit if not contested by the ABL Collateral Trustee), all parties (including, without limitation, the Debtors, the ABL Collateral Trustee, and the ABL Collateral Trust Beneficiaries) shall treat for U.S. federal income tax purposes the transfer of the ABL Collateral Trust Assets by the Debtors to the ABL Collateral Trust as (i) the transfer of such assets by the Debtors directly to the holders of Allowed Claims entitled to receive ABL Collateral Trust Interests in satisfaction of their Claims, other than to the extent any assets allocable to, or held on account of, Disputed Claims are treated as a "disputed ownership fund" or other separate taxable entity, followed by (ii) the transfer of such assets by such holders to the ABL Collateral Trust in exchange for the beneficial interests in the ABL Collateral Trust. Accordingly, absent definitive guidance to the contrary, the ABL Collateral Trust Beneficiaries shall be treated for U.S. federal income tax purposes as the grantors and owners of their respective share of ABL Collateral Trust Assets (other than to the extent any such assets allocable to, or held on account of, Disputed Claims are treated as a disputed ownership fund or other separate taxable entity).

(b) Liquidation Purpose of the ABL Collateral Trust; No Successor in Interest. The ABL Collateral Trust shall be established for the primary purpose of liquidating and distributing the ABL Collateral Trust Assets, in accordance with Treasury Regulation section 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the ABL Collateral Trust. Accordingly, the ABL Collateral Trustee shall, in an expeditious but orderly manner, liquidate and convert to Cash the ABL Collateral Trust Assets, make timely distributions to the ABL Collateral Trust Beneficiaries, as applicable, and not unduly prolong their duration. The ABL Collateral Trustee shall distribute at least annually to the ABL Collateral Trust Beneficiaries any Available Cash. The ABL Collateral Trust shall not be deemed a successor-in-interest of the Debtors for any purpose other than as specifically set forth in the Plan or the ABL

Collateral Trust Agreement. The record holders of beneficial interests shall be recorded and set forth in a register maintained by the ABL Collateral Trustee expressly for such purpose. Notwithstanding anything in the Plan or ABL Collateral Trust Agreement to the contrary, the ABL Collateral Trustee shall always act consistently with, and not contrary to, the purpose of the ABL Collateral Trust as set forth in the Plan.

(c) Cash Investments. The right and power of the ABL Collateral Trustee to invest the ABL Collateral Trust Assets, the proceeds thereof, or any income earned by the ABL Collateral Trust, shall be limited to the right and power that a liquidating trust, within the meaning of section 301.7701-4(d) of the Treasury Regulations, is permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, including Revenue Procedure 94-45, whether set forth in IRS rulings or other IRS pronouncements. The ABL Collateral Trustee may expend the Cash of the ABL Collateral Trust (i) as reasonably necessary to meet contingent liabilities and to maintain the value of the ABL Collateral Trust Assets during liquidation, (ii) to pay the reasonable administrative expenses (including, but not limited to, any taxes imposed on the ABL Collateral Trust) and (iii) to satisfy other respective liabilities incurred by the ABL Collateral Trust in accordance with the Plan and the ABL Collateral Trust Agreement (including, without limitation, the payment of any taxes).

(d) Tax Reporting and Tax Payments.

(i) The ABL Collateral Trustee shall file tax returns for the ABL Collateral Trust treating the ABL Collateral Trust as a grantor trust pursuant to Treas. Reg. § 1.671-4(a) and in accordance with this Section 8.10(d). The ABL Collateral Trustee also shall annually send to each holder of a ABL Collateral Trust Interest, a separate statement regarding the receipts and expenditures of the ABL Collateral Trust as relevant for U.S. federal income tax purposes and shall instruct all such holders to use such information in preparing their U.S. federal income tax returns or to forward the appropriate information to such holders' underlying beneficial holders with instructions to utilize such information in preparing their U.S. federal income tax returns.

(ii) As soon as practicable following the establishment of the ABL Collateral Trust, the ABL Collateral Trustee shall make a good faith determination of the fair market value of the ABL Collateral Trust Assets as of the date the ABL Collateral Trust is established. The ABL Collateral Trustee shall provide all parties with such valuation as relevant from time to time. This valuation shall be used consistently by all parties for all U.S. federal income tax purposes.

(iii) Allocations of ABL Collateral Trust taxable income among ABL Collateral Trust Beneficiaries (other than taxable income allocable to any assets treated as held by a disputed ownership fund or other separate taxable entity with respect to Disputed Claims) shall be determined by reference to the manner in which an amount of Cash

representing such taxable income would be distributed (were such Cash permitted to be distributed at such time) if, immediately prior to such deemed distribution, the ABL Collateral Trust had distributed all its assets (valued at their tax book value, other than assets treated as held by a disputed ownership fund or other separate taxable entity with respect to Disputed Claims) to the holders of ABL Collateral Trust Interests, adjusted for prior taxable income and loss and taking into account all prior and concurrent distributions from the ABL Collateral Trust. Similarly, taxable loss of the ABL Collateral Trust shall be allocated by reference to the manner in which an economic loss would be borne immediately after a hypothetical liquidating distribution of the remaining ABL Collateral Trust Assets. The tax book value of ABL Collateral Trust Assets for purpose of this paragraph shall equal their fair market value on the date ABL Collateral Trust Assets are transferred to the ABL Collateral Trust, adjusted in accordance with tax accounting principles prescribed by the United States Internal Revenue Code of 1986, as amended from time to time, the applicable Treasury Regulations, and other applicable administrative and judicial authorities and pronouncements.

(iv) The ABL Collateral Trust shall be responsible for payment, out of ABL Collateral Trust Assets, of any taxes imposed on the ABL Collateral Trust or the ABL Collateral Trust Assets. More particularly, any taxes imposed on any Disputed Claim Reserve or its assets will be paid out of the assets of the Disputed Claim Reserve (including any ABL Collateral Trust Assets allocable to, or held on account of, Disputed Claims), and netted against any subsequent distributions in respect of the allowance or disallowance of such Claims. In the event, and to the extent, any Cash in any Disputed Claim Reserve is insufficient to pay the portion of any taxes attributable to taxable income arising from assets of the Disputed Claim Reserve (including any income that may arise upon an actual or constructive distribution of the assets of the reserve in respect of the resolution of Disputed Claims), assets of the Disputed Claim Reserve (including those otherwise distributable) may be sold to pay such taxes.

(v) The ABL Collateral Trustee may request an expedited determination of taxes of the ABL Collateral Trust (including, to the extent any assets allocable to, or held on account of, Disputed Claims are treated as a disputed ownership fund or other separate taxable entity in relation to the ABL Collateral Trust, taxes of such fund or other separate taxable entity), under section 505(b) of the Bankruptcy Code, for all tax returns filed for, or on behalf of, the ABL Collateral Trust (or any such disputed ownership fund or other separate taxable

entity) for all taxable periods through the dissolution of the ABL Collateral Trust.

(vi) Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including the receipt by the ABL Collateral Trustee of a private letter ruling if the ABL Collateral Trustee so requests one, or the receipt of an adverse determination by the IRS upon audit if not contested by such ABL Collateral Trustee), the ABL Collateral Trustee may elect to treat any ABL Collateral Trust Assets allocable to, or held on account of, any Disputed Claims as a "disputed ownership fund" governed by Treas. Reg. § 1.468B-9 or other separate taxable entity, and shall report consistently therewith for state and local income tax purposes. If a "disputed ownership fund" election is made (or all or any portion of the ABL Collateral Trust Assets allocable to, or held on account of, Disputed Claims is otherwise treated as a separate taxable entity), all parties (including the ABL Collateral Trustee and ABL Collateral Trust Beneficiaries) shall report for U.S. federal, state and local income taxes consistently with the foregoing.

(vii) The treatment provided in this Section 8.10, to the extent permitted by applicable law, shall also apply for state and local tax purposes and all parties shall report consistent therewith.

ARTICLE IX. DIRECT CLAIMS TRUST.

9.1 *Establishment of the Direct Claims Trust.*

On or prior to the Effective Date, the Direct Claims Trust shall be established in accordance with the Direct Claims Trust Agreement for the purpose of being vested with and liquidating the Direct Claims Trust Assets and making distributions to the Direct Claims Trust Beneficiaries in accordance with the terms of the Direct Claims Trust Agreement. For the avoidance of doubt, and notwithstanding anything to the contrary in the Plan, the Direct Claims Trust's primary purpose is liquidating the Direct Claims Trust Assets, with no objective to continue or engage in the conduct of a trade or business except to the extent reasonably necessary to, and consistent with, the Direct Claims Trust's liquidating purpose and reasonably necessary to conserve and protect the Direct Claims Trust Assets and provide for the orderly liquidation thereof.

9.2 *Transfer of Assets into the Direct Claims Trust.*

(a) Upon the establishment of the Direct Claims Trust, the Direct Claims Trust Electing Creditors shall be deemed to have transferred their Direct Creditor Claims to the Direct Claims Trust in exchange for Direct Claims Trust Interests, and all such Direct Creditor Claims shall vest in the Direct Claims Trust (free and clear of all Liens, Claims, encumbrances and Interests (legal, beneficial or otherwise)) on such date, to be administered by the Direct Claims Trustee, in accordance with the Direct Claims Trust Agreement. The Direct Claims Trustee shall have the authority to create additional sub-accounts in trust accounts and sub-trusts within the Direct Claims Trust, which may have a separate legal existence, but which shall be considered

sub-accounts or sub-trusts of the Direct Claims Trust. The act of transferring the Direct Claims Trust Assets, as authorized by the Plan and the Confirmation Order, shall not be construed to destroy or limit any such assets or rights or be construed as a waiver of any right, and such rights may be asserted by the Direct Claims Trust, in any judicial, arbitration, or administrative proceeding. For the avoidance of doubt, the Direct Claims Trust shall not obtain, prosecute, control, or otherwise use or attempt to use the Estate Claims and shall have no interest therein.

9.3 *Direct Claims Trust Waterfall.*

The proceeds from the monetization of the Direct Claims Trust Assets shall be distributed to the Direct Claims Trust Beneficiaries in accordance with the Direct Claims Trust Agreement.

9.4 *Direct Claims Trustee.*

(a) Appointment of Direct Claims Trustee. Upon the establishment of the Direct Claims Trust, the Direct Claims Trustee shall be appointed. The powers, rights and responsibilities of the Direct Claims Trustee shall be as specified in the Direct Claims Trust Agreement.

(b) Functions of the Direct Claims Trustee. On and after the date the Direct Claims Trust is established, the Direct Claims Trustee shall carry out the functions set forth in this the Direct Claims Trust Agreement and may take such actions, without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code and the Bankruptcy Rules, other than any restrictions expressly imposed by the Direct Claims Trust Agreement.

9.5 *Fees and Expenses of the Direct Claims Trust.*

(a) Following the establishment of the Direct Claims Trust, expenses of the Direct Claims Trust shall be paid from the Direct Claims Trust Assets in the ordinary course of business, in accordance with the Direct Claims Trust Agreement. Without any further notice to any party or action, order or approval of the Bankruptcy Court, the Direct Claims Trustee, on behalf of the Direct Claims Trust, may employ and pay, in the ordinary course of business, the reasonable fees of any professional for services rendered or expenses incurred that, in the discretion of the Direct Claims Trustee, are necessary to assist the Direct Claims Trustee in the performance of the Direct Claims Trustee's duties under the Direct Claims Trust Agreement, subject to any limitations and procedures established by the Direct Claims Trust Agreement.

(b) The Direct Claims Trustee may retain professionals or consultants (including attorneys, accountants, appraisers, financial advisors, expert witnesses or other parties determined by the Direct Claims Trustee to have qualifications necessary or desirable to assist in the investigation, prosecution and/or settlement of the Direct Claims Trust Assets).

9.6 *Indemnification.*

The Direct Claims Trust shall indemnify and hold harmless the Direct Claims Trustee, in its capacity as such, for any losses incurred in such capacities, except to the extent such

losses were the result of such party's fraud, bad faith, gross negligence, willful misconduct, or criminal misconduct.

9.7 *Dissolution of the Direct Claims Trust.*

In no event shall the Direct Claims Trust be dissolved later than five (5) years from the date the Direct Claims Trust is established unless the Bankruptcy Court, upon motion made within the six (6) month period before such fifth anniversary (and, in the event of further extension, by order of the Bankruptcy Court, upon motion made within the six (6) month period before the end of the preceding extension), determines that a fixed period extension (not to exceed three years, together with any prior extensions, without a favorable private letter ruling from the IRS or an opinion of counsel satisfactory to the Direct Claims Trustee that any further extension would not adversely affect the status of the trust as a liquidating trust for U.S. federal income tax purposes) is necessary to facilitate or complete the recovery on, and liquidation of, the Direct Claims Trust Assets.

9.8 *Non-Transferability.*

The Direct Claims Trust Interests shall not be certificated, and shall be nontransferable and non-assignable except by will, intestate, succession, or operation of law.

9.9 *Direct Claims Trust Tax and Other Matters.*

(a) Tax Treatment. The Direct Claims Trust is intended to be treated for U.S. federal income tax purposes as a "liquidating trust" described in Treasury Regulation section 301.7701- 4(d) that is a "grantor trust" for U.S. federal income tax purposes. Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including the receipt of an adverse determination by the IRS upon audit if not contested by the Direct Claims Trustee), the Direct Claims Trust Beneficiaries shall be treated for U.S. federal income tax purposes as the grantors and owners of their respective share of Direct Claims Trust Assets.

(b) Liquidation Purpose of the Direct Claims Trust; No Successor in Interest. The Direct Claims Trust shall be established for the primary purpose of liquidating and distributing the Direct Claims Trust Assets, in accordance with Treasury Regulation section 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Direct Claims Trust. Accordingly, the Direct Claims Trustee shall, in an expeditious but orderly manner, liquidate and convert to Cash the Direct Claims Trust Assets, make timely distributions to the Direct Claims Trust Beneficiaries, as applicable, and not unduly prolong their duration. The Direct Claims Trustee shall distribute at least annually to the Direct Claims Trust Beneficiaries any Available Cash. The record holders of beneficial interests shall be recorded and set forth in a register maintained by the Direct Claims Trustee expressly for such purpose. Notwithstanding anything in the Plan or Direct Claims Trust Agreement to the contrary, the Direct Claims Trustee shall always act consistently with, and not contrary to, the purpose of the Direct Claims Trust as set forth in the Plan.

(c) Cash Investments. The right and power of the Direct Claims Trustee to invest the Direct Claims Trust Assets, the proceeds thereof, or any income earned by the Direct

Claims Trust, shall be limited to the right and power that a liquidating trust, within the meaning of section 301.7701-4(d) of the Treasury Regulations, is permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, whether set forth in IRS rulings or other IRS pronouncements. The Direct Claims Trustee may expend the Cash of the Direct Claims Trust (i) as reasonably necessary to meet contingent liabilities and to maintain the value of the Direct Claims Trust Assets during liquidation, (ii) to pay the reasonable administrative expenses (including, but not limited to, any taxes imposed on the Direct Claims Trust) and (iii) to satisfy other respective liabilities incurred by the Direct Claims in accordance with the Direct Claims Trust Agreement (including, without limitation, the payment of any taxes).

(d) Tax Reporting and Tax Payments.

(i) The Direct Claims Trustee shall file tax returns for the Direct Claims Trust treating the Direct Claims Trust as a grantor trust pursuant to Treas. Reg. § 1.671-4(a) and in accordance with this Section 9.9(d). The Direct Claims Trustee also shall annually send to each holder of a Direct Claims Trust Interest, a separate statement regarding the receipts and expenditures of the Direct Claims Trust as relevant for U.S. federal income tax purposes and shall instruct all such holders to use such information in preparing their U.S. federal income tax returns or to forward the appropriate information to such holders' underlying beneficial holders with instructions to utilize such information in preparing their U.S. federal income tax returns.

(ii) As soon as practicable following the establishment of the Direct Claims Trust, the Direct Claims Trustee shall make a good faith determination of the fair market value of the Direct Claims Trust Assets as of the date the Direct Claims Trust is established. The Direct Claims Trustee shall provide all parties with such valuation as relevant from time to time. This valuation shall be used consistently by all parties for all U.S. federal income tax purposes.

(iii) Allocations of Direct Claims Trust taxable income among Direct Claims Trust Beneficiaries shall be determined by reference to the manner in which an amount of Cash representing such taxable income would be distributed (were such Cash permitted to be distributed at such time) if, immediately prior to such deemed distribution, the Direct Claims Trust had distributed all its assets (valued at their tax book value) to the holders of Direct Claims Trust Interests, adjusted for prior taxable income and loss and taking into account all prior and concurrent distributions from the Direct Claims Trust. Similarly, taxable loss of the Direct Claims Trust shall be allocated by reference to the manner in which an economic loss would be borne immediately after a hypothetical liquidating distribution of the remaining Direct Claims Trust Assets. The tax book value of Direct Claims Trust Assets for purpose of this paragraph shall equal their fair market value on the date Direct

Claims Trust Assets are transferred to the Direct Claims Trust, adjusted in accordance with tax accounting principles prescribed by the United States Internal Revenue Code of 1986, as amended from time to time, the applicable Treasury Regulations, and other applicable administrative and judicial authorities and pronouncements.

(iv) The Direct Claims Trust shall be responsible for payment, out of Direct Claims Trust Assets, of any taxes imposed on the Direct Claims Trust or the Direct Claims Trust Assets.

(v) The treatment provided in this Section 9.9, to the extent permitted by applicable law, shall also apply for state and local tax purposes and all parties shall report consistent therewith.

ARTICLE X. DISTRIBUTIONS.

10.1 *Distributions Generally.*

(a) Plan Debtor Distributions. On or after the Effective Date, the Wind Down Administrator shall commence all distributions pursuant to the Plan to holders of Allowed Claims against the Plan Debtor only in accordance with the terms of the Plan and the Confirmation Order, and only to the extent that the Plan Debtor has sufficient assets (or income and/or proceeds realized from such assets) to make such payments in accordance with and to the extent provided for in the Plan and the Confirmation Order; *provided* that the assets used to make such payments shall not include any Litigation Trust Assets or DIP Collateral Trust Assets.

(b) Trust Distributions. On or after the Effective Date, the Trustees shall make all distributions to Trust Beneficiaries only in accordance with the terms of the Plan, the Confirmation Order, and the Trust Agreements, as applicable, and only to the extent that the Trusts have sufficient assets (or income and/or proceeds realized from such assets) to make such distributions in accordance with and to the extent provided for in the Plan, the Confirmation Order, and the Trust Agreements, as applicable.

(c) The Wind Down Administrator and the Trustees shall not be required to give any bond or surety or other security for the performance of their duties under the Plan or the Trust Documents.

10.2 *No Postpetition Interest on Claims.*

Unless otherwise provided in the Plan, the Confirmation Order, the DIP Order, the Trust Agreements, as applicable, or other order of the Bankruptcy Court, or required by applicable bankruptcy law, postpetition interest shall not accrue or be paid on any Claim and no holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any such Claim.

10.3 *Distribution Record Date.*

As of the close of business on the Distribution Record Date, the various lists of

holders of Claims or Interests in each Class, as maintained by the Plan Debtor or its agents, shall be deemed closed, and there shall be no further changes in the record holders of any Claims or Interests after the Distribution Record Date. Neither the Plan Debtor, the Wind Down Administrator, nor the Trustees shall have any obligation to recognize any transfer of a Claim (i) occurring after the close of business on the Distribution Record Date, or (ii) that does not comply with Bankruptcy Rule 3001(e) or otherwise does not comply with the Bankruptcy Code or Bankruptcy Rules.

10.4 *Date of Distributions*.

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, but shall be deemed to have been completed as of the required date.

10.5 *Reserve on Account of Disputed Claims*.

(a) From and after the Effective Date, and until such time as each Disputed Claim has been compromised and settled, estimated by the Bankruptcy Court in an amount constituting the Allowed amount, or Allowed or disallowed by Final Order, the Wind Down Administrator or the applicable Trustee shall retain, for the benefit of each holder of a Disputed Claim, an amount equal to the Pro Rata Share of distributions that would have been made to the holder of such Disputed Claim if it were an Allowed Claim in an amount equal to the lesser of (i) the liquidated amount set forth in a filed Proof of Claim relating to such Disputed Claim, (ii) the amount in which the Disputed Claim has been estimated by the Bankruptcy Court pursuant to section 502 of the Bankruptcy Code as constituting and representing the maximum amount in which such Claim may ultimately become an Allowed Claim, or (iii) such other amount as may be agreed upon by the holder of such Disputed Claim and the Wind Down Administrator or the applicable Trustee. Cash held in the Disputed Claim Reserve (including, with respect to Cash, any earnings that have accrued on such Cash, net of any expenses, including any taxes, relating thereto) shall be retained by the Wind Down Administrator or the applicable Trustee for the benefit of holders of Disputed Claims pending determination of their entitlement thereto under the terms of the Plan. Any Cash shall be either (x) held by the Wind Down Administrator or the applicable Trustee in an interest-bearing account or (y) invested in interest-bearing obligations issued by the United States government and guaranteed by the United States government, and having (in either case) a maturity of not more than 30 days. No payments or distributions shall be made with respect to all or any portion of any Disputed Claim pending the entire resolution thereof by Final Order or settlement.

(b) Subject to the other provisions of the Plan regarding timing of distributions, after a Disputed Claim becomes an Allowed Claim, the Wind Down Administrator or the applicable Trustee shall distribute to the holder thereof the distributions, if any, to which such holder is then entitled under the Plan or the applicable Trust Document and any earnings related to the portion of the Disputed Claim Reserve allocable to such Allowed Claim (net of any expenses, including any taxes, relating thereto). The balance of any Cash previously retained but not distributed to a Disputed Claim holder shall be included in future distributions to holders of Claims in the applicable Class. Each holder of a Disputed Claim that ultimately becomes an

Allowed Claim will be paid (i) first from the Disputed Claim Reserve and (ii) if the amount available for distribution pursuant to the foregoing clause (i) is insufficient to remit distributions required to be made to such holder pursuant to this sentence, such holder shall receive the amount of such insufficiency on the next subsequent Distribution Date(s) from the applicable Trusts' assets.

(c) The Wind Down Administrator and the Trustees shall not be required to make any distributions from a Disputed Claims Reserve as a result of any Disputed Claims that are disallowed until all Disputed Claims either become Allowed Claims or are disallowed.

(d) Unless otherwise ordered by the Bankruptcy Court, the Disputed Claim Reserve shall not be used for operating expenses, costs, or any purpose other than as set forth in this Section 10.5.

10.6 ***Distributions After Effective Date.***

Distributions made after the Effective Date to holders of Disputed Claims that are not Allowed Claims as of the Effective Date but which later become Allowed Claims shall be deemed to have been made on the Effective Date.

10.7 ***Delivery of Distributions.***

(a) Subject to Bankruptcy Rule 9010, the Wind Down Administrator and the Trustees, as applicable, shall make all distributions to any holder of an Allowed Claim or its authorized designee or transferee as and when required by the Plan at (a) the address of such holder on the books and records of the Debtors or its agents, (b) at the address in any written notice of address change delivered to the Wind Down Administrator or the Trustees, including any addresses included on any transfers of Claim filed pursuant to Bankruptcy Rule 3001, or (c) the address of the designee of such holder to the extent practicable. Subject to Section 10.8 of the Plan, in the event that any distribution to any holder is returned as undeliverable, no distribution or payment to such holder shall be made unless and until the Wind Down Administrator or Trustees, as applicable, have been notified of the then-current address of such holder, at which time or as soon thereafter as reasonably practicable, such distribution shall be made to such holder without interest.

(b) The Debtors shall use commercially reasonable efforts to provide the Wind Down Administrator and the Trustees with the amounts of Claims and the identities and addresses of holders of Claims, in each case, as set forth in the Debtors' books and records.

10.8 ***Unclaimed Property.***

(a) Six (6) months from the later of: (i) the Effective Date and (ii) the date that is ten (10) Business Days after the date a Claim or Interest is first Allowed against the Plan Debtor, all distributions payable on account of such Claim or Interest that are unclaimed pursuant to Section 10.8(b) shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and shall revert to the Wind Down Administrator, and all claims of any other Entity (including the holder of a Claim in the same Class) to such distribution shall be discharged and forever barred. The Wind Down Administrator shall have no obligation to attempt to locate any holder of an

Allowed Claim against the Plan Debtor other than by reviewing the Debtors' books and records and the Bankruptcy Court's filings.

(b) A distribution made pursuant to the Plan shall be deemed unclaimed if a holder has not (i) accepted a particular distribution or, in the case of distribution made by check, by ninety (90) calendar days after issuance, negotiated such check, (ii) given notice to the Wind Down Administrator of an intent to accept a particular distribution, (iii) responded to a request by the Wind Down Administrator or a Disbursing Agent for information necessary to facilitate a particular distribution, or (iv) taken any other action necessary to facilitate such distribution.

10.9 ***Satisfaction of Claims.***

Except as otherwise specifically provided in the Plan, any distributions and deliveries to be made on account of Allowed Claims against the Plan Debtor under the Plan shall be in complete and final satisfaction, settlement, and discharge of and exchange for such Allowed Claims against the Plan Debtor.

10.10 ***Manner of Payment Under Plan.***

Except as otherwise specifically provided herein, at the option of the Wind Down Administrator, any Cash payment to be made under the Plan may be made by a check or wire transfer or as otherwise required or provided in applicable agreements or customary practices of the Wind Down Administrator. Any wire transfer fees incurred by the Wind Down Administrator in connection with the transmission of a wire transfer shall be deducted from the amount of the recipient holder's distribution.

10.11 ***Minimum Distribution.***

The Wind Down Administrator shall have no obligation to make a distribution under the Plan that is less than $100.00 in Cash.

10.12 ***Setoffs and Recoupments.***

(a) Except as otherwise provided in the Plan, including in all respects Sections 14.5(a), 14.5(b), 14.6, and 14.7, the Wind Down Administrator may, pursuant to applicable non-bankruptcy law, set off or recoup against any Allowed Claim against the Plan Debtor and the distributions to be made pursuant to the Plan on account of such Allowed Claim, any and all claims, rights, and Causes of Action of any nature whatsoever that the Plan Debtor or its successors may hold against the holder of such Allowed Claim; *provided* that neither the failure to effect a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release by the Plan Debtor, its Estate, or the Wind Down Administrator of any claims, rights, or Causes of Action that the Plan Debtor may possess against the holder of such Claim.

(b) In no event shall any Holder of a Claim be entitled to set off any such Claim against any claim, right, or Cause of Action of the Plan Debtor, unless (i) the Plan Debtor or the Wind Down Administrator, as applicable, has consented or (ii) such Holder has filed a motion with the Bankruptcy Court requesting the authority to perform such setoff on or before the Confirmation Date, and notwithstanding any indication in any Proof of Claim or otherwise that such Holder

asserts, has, or intends to preserve any right of setoff pursuant to section 553 of the Bankruptcy Code or otherwise. Notwithstanding the foregoing, this paragraph does not create any new rights to setoff or recoupment that did not exist under any applicable law or agreement in existence before the Effective Date.

10.13 *Withholding and Reporting Requirements*.

(a) Withholding Rights. In connection with the Plan, any Entity issuing any instrument or making any distribution or payment in connection therewith shall comply with all applicable withholding and reporting requirements imposed by any federal, state, or local taxing authority, and all distributions pursuant to the Plan and all related agreements shall be subject to any such withholding or reporting requirements. Any amounts withheld pursuant to the Plan shall be deemed to have been distributed to and received by the applicable recipient for all purposes of the Plan. Notwithstanding the foregoing, each holder of an Allowed Claim or any other Person that receives a distribution pursuant to the Plan shall have responsibility for any taxes imposed by any Governmental Unit, including, without limitation, income, withholding, and other taxes, on account of such distribution. Any Entity issuing any instrument or making any distribution pursuant to the Plan has the right, but not the obligation, to not make a distribution until such holder has made arrangements satisfactory to such issuing or disbursing party for payment of any such tax obligations. Additionally, in the case of a non-Cash distribution that is subject to withholding, the distributing party has the right, but not the obligation, to withhold an appropriate portion of such distributed property and either (i) sell such withheld property to generate Cash necessary to pay over the withholding tax (or reimburse the distributing party for any advance payment of the withholding tax), or (ii) pay the withholding tax using its own funds and retain such withheld property.

(b) Forms. Any party entitled to receive any property as an issuance or distribution under the Plan shall, upon reasonable request, deliver to the applicable withholding agent or such other Entity or Estate designated by the Plan Debtor, the Wind Down Administrator, a Trustee, or Disbursing Agent, an appropriate IRS Form W-9 or (if the payee is a foreign person) IRS Form W-8 and/or any other forms or documents, as applicable, requested by the Plan Debtor, the Wind Down Administrator, a Trustee, Disbursing Agent, or the applicable withholding agent to reduce or eliminate any required federal, state, or local withholding. If such request is made and the party entitled to receive such property as an issuance or distribution fails to comply with any such request within ninety (90) days after the request is made, the amount of such issuance or distribution shall irrevocably revert to the Plan Debtor or the applicable Trust and any Claim in respect of such distribution under the Plan shall be discharged and forever barred from assertion against the Plan Debtor, the Plan Debtor's Estate, the Trusts, and their respective property.

(c) The FBG Debtors shall cooperate in good faith with the Wind Down Administrator, the Trustees and the GUC Ombudsman to comply with the withholding and reporting requirements outlined in this Section 10.13 of the Plan.

10.14 *Disbursing Agent*.

(a) The Wind Down Administrator and the Trustees shall have the authority to enter into agreements with one or more Disbursing Agents to facilitate the distributions required

under the Plan, the Confirmation Order, and the Trust Agreements. The Wind Down Administrator and the Trustees may pay to the Disbursing Agent all reasonable and documented fees and expenses of the Disbursing Agent without the need for other approvals, authorizations, actions or consents. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties.

(b) From and after the Confirmation Date, the Disbursing Agent, solely in its capacity as Disbursing Agent, shall be exculpated by all Entities, including, without limitation, holders of Claims against the Plan Debtor and other parties in interest, from any and all Claims, Causes of Action, and other assertions of liability arising out of the discharge of the powers and duties conferred upon such Disbursing Agent by the Plan or any order of the Bankruptcy Court entered pursuant to or in furtherance of the Plan, or applicable law, except for actions or omissions to act arising out of the gross negligence or willful misconduct, fraud, malpractice, criminal conduct, or *ultra vires* acts of such Disbursing Agent. No holder of a Claim or other party in interest shall have or pursue any claim or Cause of Action against the Disbursing Agent, solely in its capacity as Disbursing Agent, for making distributions in accordance with the Plan or the Trust Documents or for implementing provisions of the Plan, except for actions or omissions to act arising out of the gross negligence or willful misconduct, fraud, malpractice, criminal conduct, or *ultra vires* acts of such Disbursing Agent.

(c) The Disbursing Agent shall be empowered to (i) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties hereunder; (ii) make all distributions contemplated hereby; and (iii) 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 hereof.

(d) Except as otherwise ordered by the Bankruptcy Court and, in the case of the GUC Ombudsman, subject to Section 5.2(k) hereof, any reasonable and documented fees and expenses incurred by the Disbursing Agent acting in such capacity (including reasonable documented attorneys' fees and expenses) on or after the Effective Date shall be paid in Cash by the Wind Down Administrator or the applicable Trust in the ordinary course of business.

10.15 *Allocation of Distributions Between Principal and Interest*

Except as otherwise provided in the Plan or as otherwise required by law (as determined by the Wind Down Administrator, the Trustees or the GUC Ombudsman, as applicable), distributions with respect to an Allowed Claim shall be allocated first to the principal amount of such Allowed Claim (as determined for United States federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of such Allowed Claim, to any portion of such Allowed Claim for accrued but unpaid interest (including original issuance discount).

ARTICLE XI. PROCEDURES FOR RESOLVING CLAIMS.

11.1 *Allowance of Claims.*

The Wind Down Administrator shall have and shall retain any and all rights and defenses that the Plan Debtor had with respect to any Claim against the Plan Debtor. Except as

expressly provided in the Plan or in any order entered in the Plan Debtor's Chapter 11 Case prior to the Effective Date (including the Confirmation Order), no Claim against the Plan Debtor shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Court has entered a Final Order in the Plan Debtor's Chapter 11 Case allowing such Claim.

11.2 *Objections to Claims*.

As of the Effective Date, the Wind Down Administrator shall be entitled to object to Claims against the Plan Debtor. Any objections to Claims against the Plan Debtor shall be served and filed (i) on or before one hundred and eighty (180) days following the later of (a) the Effective Date and (b) the date that a Proof of Claim is filed or amended or a Claim is otherwise asserted or amended in writing by or on behalf of a holder of such Claim, or (ii) such later date as ordered by the Bankruptcy Court; *provided* that the Wind Down Administrator may extend the Claim Objection Deadline for an additional one hundred and eighty (180) days in its sole discretion upon the filing of a notice with the Bankruptcy Court, with further extensions thereafter permitted after notice and a hearing.

11.3 *Estimation of Claims*.

The Wind Down Administrator may at any time request that the Bankruptcy Court estimate any contingent, unliquidated, or Disputed Claim against the Plan Debtor pursuant to section 502(c) of the Bankruptcy Code, regardless of whether the Plan Debtor had previously objected to or otherwise disputed such Claim or whether the Bankruptcy Court has ruled on any such objection. The Bankruptcy Court shall 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, unliquidated, or Disputed Claim, the amount so estimated shall 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 the amount of such Claim, the Wind Down Administrator may pursue supplementary proceedings to object to the allowance of such Claim. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such holder has filed a motion requesting the right to seek such reconsideration on or before twenty-one (21) calendar days after the date on which such Claim is estimated; *provided* that, for the avoidance of doubt, the GUC Ombudsman shall be responsible solely for reconciling Electing Creditor Claims in accordance with the Plan.

11.4 *Claim Resolution Procedures Cumulative*.

All of the objection, estimation, and resolution procedures in the Plan are intended to be cumulative and not exclusive of one another. Claims may be estimated and subsequently settled, compromised, withdrawn, or resolved in accordance with the Plan without further notice or Bankruptcy Court approval.

11.5 ***Adjustment to Claims Register Without Objection.***

Any Claim or Interest against the Plan Debtor that (a) is a duplicate, (b) has been paid or satisfied, or (c) has been amended or superseded, may be adjusted or expunged on the Claims Register by the Wind Down Administrator upon agreement between the parties in interest without an objection having to be filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

11.6 ***No Distributions Pending Allowance.***

If an objection, motion to estimate, or other challenge to a Claim is filed, no payment or distribution provided under the Plan shall be made on account of such Claim unless and until (and only to the extent that) such Claim becomes an Allowed Claim. Notwithstanding anything herein to the contrary, if any portion of a Claim is a Disputed Claim, no payment or distribution provided hereunder shall be made on account of such Claim unless and until such Disputed Claim becomes an Allowed Claim.

11.7 ***Amendments to Claims.***

A Claim against the Plan Debtor may not be filed, amended, or supplemented without the prior written authorization of the Bankruptcy Court or the Wind Down Administrator, and any such new, amended, or supplemented Claim filed without such written authorization shall be deemed Disallowed in full and expunged without any further notice to or action, order, or approval of the Bankruptcy Court to the maximum extent provided by applicable law.

ARTICLE XII. EXECUTORY CONTRACTS AND UNEXPIRED LEASES.

12.1 ***Rejection of Executory Contracts and Unexpired Leases.***

(a) As of and subject to the occurrence of the Effective Date, all executory contracts and unexpired leases to which any of the Plan Debtor is a party shall be deemed rejected by the Plan Debtor (and not any other Debtor) except for an executory contract or unexpired lease that: (i) was previously assumed or rejected by the Plan Debtor pursuant to a Final Order of the Bankruptcy Court or assumed and assigned pursuant to pursuant to a Final Order of the Bankruptcy Court; (ii) previously expired or terminated pursuant to its own terms or by agreement of the parties thereto; (iii) is the subject of a separate assumption or rejection motion or request filed by the Plan Debtor on or before the Effective Date; (iv) is a contract, lease, or other agreement or document entered into in connection with the Plan; or (v) is a D&O Policy or other insurance policy to which the Plan Debtor is a beneficiary or an insured. For the avoidance of doubt, (a) the Plan Debtor may seek to assume, assume and assign, or reject an executory contract or unexpired lease at any time prior to the Effective Date and (b) the FBG Debtors (other than the Plan Debtor) may assume, assume and assign, or reject any executory contract or unexpired lease before, on, or after the Effective Date pursuant to the Contracts Procedures Order or otherwise in accordance with applicable bankruptcy law.

(b) Entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of the rejections provided for in the Plan pursuant to sections 365(a) and 1123(b)(2) of the Bankruptcy Code.

12.2 *Survival of Indemnification Obligations.*

Any and all obligations of a Debtor to indemnify, defend, reimburse, or limit the liability of current and former officers, directors, members, managers, agents, or employees against any Claims or Causes of Action as provided in the such Debtor's corporate charters, bylaws, other organizational documents, other agreements, or applicable law shall survive confirmation of the Plan, and shall be assumed by such Debtor solely to the extent necessary to recover and have access to insurance proceeds. Any indemnification claims against the Plan Debtor arising under the foregoing documents shall be treated as General Unsecured Claims to the extent Allowed. Notwithstanding anything in the Plan to the contrary, the Plan Debtor's Indemnification Obligation shall be assumed by the Plan Debtor effective as of the Effective Date, pursuant to sections 365 and 1123 of the Bankruptcy Code or otherwise, solely for the purposes described in the first sentence of this Section 12.2.

12.3 *Rejection Damages Claims.*

(a) Unless an earlier date is otherwise provided for by an order of the Bankruptcy Court, any Proofs of Claim based on the rejection of the Plan Debtor's executory contracts or unexpired leases pursuant to the Plan, must be filed with Bankruptcy Court and served on the Claims and Noticing Agent no later than twenty-one (21) days after the Effective Date.

(b) Any Claims arising from the rejection of an executory contract or unexpired lease for which proofs of Claim were not timely filed as set forth in the paragraph above shall not (i) be treated as a creditor with respect to such Claim, or (ii) participate in any distribution in the Plan Debtor's Chapter 11 Case on account of such Claim, and any Claims arising from the rejection of an executory contract or unexpired lease not filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Plan Debtor, its Estate, or the property for any of the foregoing without the need for any objection by the Plan Debtor or Wind Down Administrator or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of such contract or lease shall be deemed fully compromised, settled, and released, notwithstanding anything in the Schedules or a Proof of Claim to the contrary. All Allowed Claims arising from the rejection of the Plan Debtor's prepetition executory contracts or unexpired leases shall be classified as General Unsecured Claims.

12.4 *Insurance Policies.*

(a) Each of the Plan Debtor's Insurance Policies and any agreements, documents, or instruments related thereto, as of the Effective Date, shall be deemed to be and treated as executory contracts and shall be assumed by the Plan Debtor and shall continue in full force and effect thereafter in accordance with their respective terms.

(b) Nothing in the Plan shall alter, supplement, change, decrease, or modify the terms (including the conditions, limitations, and/or exclusions) of the Debtors' Insurance Policies; *provided* that, notwithstanding anything in the foregoing to the contrary, the enforceability and applicability of the terms (including the conditions, limitations, and/or exclusions) of the Insurance

Policies, and thus the rights or obligations thereof, are subject to the Bankruptcy Code and applicable law.

(c) All officers, managers, directors, agents, or employees who served in such capacity at any time before the Effective Date shall be entitled to the full benefits of the D&O Policies in effect as of, or purchased on or before, the Effective Date for the full term of such D&O Policies regardless of whether such officers, managers, directors, agents, and/or employees remain in such positions as of the Effective Date, in each case, to the extent set forth in such D&O Policies.

(d) On the Effective Date, all rights and obligations of the FBG Debtors, if any, under the D&O Policies shall transfer to the Litigation Trust in accordance with the Plan and the Litigation Trust shall assume the FBG Debtors' obligations for administering such policies. For the avoidance of doubt, the transfer of the Insurance Rights of the FBG Debtors' and their Estates to recover proceeds from D&O Policies to the Litigation Trust, shall not hinder the ability of any beneficiaries or insureds of such D&O Policies to submit claims and otherwise pursue and obtain coverage under the D&O Policies.

(e) On the Effective Date, all rights and obligations of the FBG Debtors, if any, under the Independent Manager Policies shall transfer to the Plan Debtor and the Plan Debtor shall assume the Debtors' obligations, if any, for administering such policy.

12.5 ***Reservation of Rights.***

(a) Neither the exclusion nor the inclusion by the Plan Debtor of any contract or lease on any exhibit, schedule, or other annex to the Plan or in the Plan Supplement, nor anything contained in the Plan, shall constitute an admission by the Plan Debtor or any other party that any such contract or lease is or is not an executory contract or unexpired lease or that the Plan Debtor, its Estate, or its Affiliates has any liability thereunder.

(b) Except as explicitly provided in the Plan, nothing in the Plan shall waive, excuse, limit, diminish, or otherwise alter any of the defenses, claims, Causes of Action, or other rights of the Debtors, the Estates, the Wind Down Administrator, the Trustees, or the Trusts under any executory or non-executory contract or unexpired or expired lease.

(c) Nothing in the Plan shall increase, augment, or add to any of the duties, obligations, responsibilities, or liabilities of the Debtors, the Estates, the Wind Down Administrator, the Trustees, or the Trusts under any executory or non-executory contract or unexpired or expired lease.

ARTICLE XIII. CONDITIONS PRECEDENT TO OCCURRENCE OF EFFECTIVE DATE.

13.1 ***Conditions Precedent to Effective Date.***

The Effective Date shall not occur unless all of the following conditions precedent have been satisfied:

(a) the Disclosure Statement Order shall have been entered;

(b) the closings of the Estate Claims Credit Bid Transaction and DIP Collateral Credit Bid Transaction each shall have occurred;

(c) the Litigation Trust has been established and the Litigation Trust Assets have been transferred to the Litigation Trust;

(d) the Litigation Trust Interests have been issued in a form and manner satisfactory to the Required Consenting Lenders and the Creditors' Committee;

(e) the DIP Collateral Trust has been established and the DIP Collateral Trust Assets have been transferred to the DIP Collateral Trust;

(f) the DIP Collateral Trust Interests have been issued in a form and manner satisfactory to the Required Consenting Lenders;

(g) the ABL Collateral Trust has been established and the ABL Collateral Trust Assets have been transferred to the ABL Collateral Trust;

(h) the Plan Supplement and all of the schedules, documents, supplements, and exhibits thereto shall have been filed in form and substance reasonably acceptable to the Debtors, the Required Consenting Lenders, and the Creditors' Committee (such consent not to be unreasonably withheld, conditioned, or delayed), and be consistent in all material respects with the Plan Support Agreement;

(i) the Confirmation Order shall have been entered by the Bankruptcy Court and shall not be subject to any stay or injunction;

(j) all actions, documents, certificates, and agreements necessary or appropriate to implement the Plan shall have been effected or executed or deemed executed and delivered, as the case may be, to the required parties and, to the extent required, filed with the applicable Governmental Units in accordance with applicable laws;

(k) all authorizations, consents, regulatory approvals, rulings or documents that are necessary or appropriate to implement and effectuate the Plan shall have been received;

(l) the Professional Fees Escrow Account and the Wind Down Reserve (in accordance with the Wind Down Budget) shall have been fully funded as provided for in the Plan;

(m) all actions, documents, certificates, and agreements necessary to implement the Plan, including the Global Settlement, shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable governmental authorities in accordance with applicable laws; and

(n) all fees, expenses, and other amounts due and payable to the Ad Hoc Group Advisors pursuant to the DIP Order and the Plan, including, without limitation, the Restructuring Expenses shall have been paid in full.

13.2 *Waiver of Conditions Precedent.*

(a) Each of the conditions precedent to the occurrence of the Effective Date of the Plan set forth in this ARTICLE XIII may be waived, in whole or in part, by the Plan Debtor, with the consent of the Creditors' Committee and the Required Consenting Lenders (not to be unreasonably withheld, conditioned, or delayed), without leave of or order of the Bankruptcy Court.

(b) Except as otherwise provided herein, all actions required to be taken on the Effective Date shall take place and shall be deemed to have occurred simultaneously and no such action shall be deemed to have occurred prior to the taking of any other such action.

(c) The stay of the Confirmation Order pursuant to Bankruptcy Rule 3020(e) shall be deemed waived by and upon the entry of the Confirmation Order, and the Confirmation Order shall take effect immediately upon its entry.

13.3 *Effect of Failure of a Condition.*

If the Effective Date does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall (i) constitute a waiver or release of any Claims by or against or any Interests in the Plan Debtor, (ii) prejudice in any manner the rights of any Entity, or (iii) constitute an admission, acknowledgement, offer, or undertaking by the Plan Debtor or any other Entity.

13.4 *Effect of Vacatur of Confirmation Order.*

If the Confirmation Order is vacated, (i) no distributions under the Plan shall be made, (ii) the Plan Debtor and all holders of Claims and Interests in the Plan Debtor shall be restored to the *status quo ante* as of the day immediately preceding the Confirmation Date as though the Confirmation Date never occurred, and (iii) all of the Plan Debtor's obligations with respect to the Claims and the Interests shall remain unchanged and nothing contained herein shall be deemed to constitute a waiver or release of any Claims by or against the Plan Debtor or any other Entity or to prejudice in any manner the rights of the Plan Debtor or any other Entity in any further proceedings involving the Plan Debtor or otherwise.

ARTICLE XIV. EFFECT OF CONFIRMATION.

14.1 *Binding Effect.*

As of the Effective Date, the Plan shall bind (i) the Debtors, including the Plan Debtor; (ii) the Wind Down Administrator; (iii) the Litigation Trustee and the Litigation Trust; (iv) the DIP Collateral Trustee and the DIP Collateral Trust; (v) the ABL Collateral Trustee and the ABL Collateral Trust; (vi) the Direct Claims Trustee and the Direct Claims Trust; (vii) any successor to the Debtors, including any chapter 7 trustee appointed in any Debtor's chapter 7 case; (viii) all holders of Claims against and Interests in the Debtors, including Electing Creditors, and their respective successors and assigns, regardless of whether any such holders were (a) Impaired or Unimpaired under the Plan, (b) presumed to accept or deemed to reject the Plan, (c) failed to vote to accept or reject the Plan, (d) voted to reject the Plan, and/or (e) received any distribution

under the Plan; (ix) all Entities that are parties to or are subject to the settlements, compromises, releases, and injunctions described in the Plan; (x) each Entity acquiring property under the Plan and the Confirmation Order; and (xi) any and all non-Debtor parties to executory contracts and unexpired leases with the Plan Debtor.

14.2 *Vesting of Assets.*

Except as otherwise provided in the Plan (including in all respects Sections 14.5(a), 14.5(b), 14.6, and 14.7), the Plan Supplement, or the Confirmation Order, on and after Effective Date, pursuant to sections 1141(b) and (c) of the Bankruptcy Code, the Litigation Trust Assets, the DIP Collateral Trust Assets, and the ABL Collateral Trust Assets shall vest in the Litigation Trust, the DIP Collateral Trust, and the ABL Collateral Trust (as applicable) free and clear of all Claims, Liens, encumbrances, charges, constructive trusts, and other interests to the extent permitted under applicable law. Subject to the terms of the Plan, the Litigation Trust Agreement, the DIP Collateral Trust Agreement, and the ABL Collateral Trust Agreement, on and after the Effective Date, the Wind Down Administrator, the Litigation Trustee, the DIP Collateral Trustee, the ABL Collateral Trustee may use, acquire, and dispose of property and prosecute, compromise, or settle any Claims (including any Administrative Expense Claims) and Interests against the Plan Debtor without supervision of or approval by the Bankruptcy Court and free and clear of any restrictions of the Bankruptcy Code or the Bankruptcy Rules other than restrictions expressly imposed by the Plan or the Confirmation Order. Without limiting the foregoing, the Plan Debtor or Wind Down Administrator may pay the charges that it incurs on behalf of the Plan Debtor's Estate after the Confirmation Date for Professionals' fees, disbursements, expenses, or related support services without application to the Bankruptcy Court.

14.3 *Pre-Confirmation Injunctions and Stays.*

Unless otherwise provided in the Plan or a Final Order of the Bankruptcy Court, all injunctions and stays arising under or entered during the Plan Debtor's Chapter 11 Case, whether under sections 105 or 362 of the Bankruptcy Code or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the later of the Effective Date and the date indicated in the order providing for such injunction or stay. For the avoidance of doubt, no injunction or stay shall interfere with the administration of the Litigation Trust or the prosecution of claims owned by such Litigation Trust.

14.4 *Plan Injunction.*

(a) Upon the entry of the Confirmation Order, all holders of Claims and Interests and all other parties in interest, along with their respective present and former Affiliates, employees, agents, officers, directors, and principals, shall be enjoined from taking any action to interfere with the implementation or consummation of the Plan or the occurrence of the Effective Date, including, for the avoidance of doubt, exercising control, or attempting to exercise control, over the Litigation Trust Assets, including the Estate Claims.

(b) Except as otherwise expressly provided in the Plan, or for distributions required to be paid or delivered pursuant to the Plan or the Confirmation Order, all Entities that have held, hold, or may hold Claims, Interests, or Causes of Action that are (i) released

or discharged pursuant to the Plan, including under Section 14.5(a) or Section 14.5(b) of the Plan, or (ii) subject to exculpation pursuant to Section 14.6 of the Plan, and all other parties in interest, are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Plan Debtor, the Plan Debtor's Estate, the Wind Down Administrator, the Litigation Trust, the DIP Collateral Trust, the ABL Collateral Trust, the Released Parties, and/or the Exculpated Parties (to the extent of the exculpation provided pursuant to Section 14.6 of the Plan with respect to the Exculpated Parties), as applicable, with respect to such Claims, Interests, and Causes of Action: (A) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including any proceeding in a judicial, arbitral, administrative, or other forum) on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action; (B) enforcing, levying, attaching (including any prejudgment attachment), collecting, or otherwise recovering in any manner or by any means, whether directly, or indirectly, any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action; (C) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien or encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action; (D) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action unless (x) such Entity has timely asserted such setoff right either in a filed proof of Claim, or in another document filed with the Bankruptcy Court explicitly preserving such setoff or that otherwise indicates that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise or (y) such right to setoff arises under a postpetition agreement with the Debtors or (i) an executory contract or (ii) an unexpired lease, in the case of (i) and (ii), that has been assumed by the Debtors as of the Effective Date; (E) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan and Confirmation Order, to the full extent permitted by applicable law; (F) commencing or continuing, in any manner or in any place, any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action released, settled, and/or treated, entitled to a distribution, or cancelled pursuant to the Plan, including pursuant to Section 14.5(a) or Section 14.5(b) of the Plan; and (G) exercising control, or attempting to exercise control, over the Litigation Trust Assets, including the Estate Claims; *provided* that such Entities that have held, hold, or may hold Claims against, Interests in, or Causes of Action against, the Plan Debtor or its Estate shall not be precluded from exercising their rights and remedies, or obtaining the benefits, solely pursuant to and consistent with the terms of the Plan.

(c) Subject in all respects to Section 15.1 of the Plan, no Entity may commence or pursue a Claim or Cause of Action of any kind against any Exculpated Party that arose or arises from, in whole or in part: the Debtors (including the governance, management, direct or indirect ownership, transactions with, or operation thereof) or their Estates; the Wind Down Administrator; the Litigation Trust; the Litigation Trustee; the DIP Collateral Trust; the DIP Collateral Trustee; the ABL Collateral Trust; the ABL Collateral Trustee; the Chapter 11 Cases (including the filing and administration thereof); the Wind

Down; the Disclosure Statement; the DIP Order; the negotiation, formulation, preparation, dissemination, or consummation of the Definitive Documents or any other contract, instrument, release, or document created or entered into in connection with the Plan (including the Plan Supplement) or any of the other Definitive Documents; any other debt or Security of the Debtors and the ownership thereof; the purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors; the subject matter of, or the transactions or events giving rise to any Claim or Interest that is treated in the Plan; the business or contractual or other arrangements or other interactions between any Releasing Party and any Released Party or Exculpated Party; the restructuring of any Claim or Interest before or during the Chapter 11 Cases; any other in-or-out-of-court restructuring efforts of the Debtors; any intercompany obligations, transactions, or transfers; the formulation, preparation, negotiation, dissemination, solicitation, filing, confirmation, and consummation of the Plan (including the Plan Supplement) and the transactions contemplated by the Confirmation Order; the funding of the Plan; the administration and implementation of the Plan or Confirmation Order, including the distribution of property under the Plan; or any other agreement, act or omission, transaction, transfer, event, or other occurrence related to the foregoing and taking place on or before the Effective Date related or relating to the foregoing without the Bankruptcy Court (i) first determining, after notice and a hearing, that such Claim or Cause of Action represents a colorable claim that has not been exculpated under the Plan and (ii) specifically authorizing such Entity to bring such Claim or Cause of Action against any such Exculpated Party. The Bankruptcy Court shall have sole and exclusive jurisdiction to determine whether a Claim or Cause of Action is colorable and has not been exculpated and, only to the extent legally permissible and as provided for in Section 15.1 of the Plan, shall have jurisdiction to adjudicate the underlying colorable Claim or Cause of Action. For the avoidance of doubt, the foregoing sentence is subject to applicable law regarding the Bankruptcy Court's subject matter jurisdiction to hear such matter.

(d) As of the Effective Date, all Persons other than the Litigation Trust are permanently enjoined from commencing, conducting, or continuing, directly or indirectly, any litigation or prosecution of an Estate Claim (including in any proceeding in a judicial, arbitral, administrative, or other forum). If any Person other than the Litigation Trust commences, conducts, or continues litigation or prosecution of an Estate Claim without a prior determination by the Bankruptcy Court that the claim or cause of action is not an Estate Claim, the Litigation Trust shall be entitled to make an emergency application to the Bankruptcy Court for a determination that such claim or Cause of Action is an Estate Claim and that this injunction has been violated. Upon such determination, damages may be awarded in the amount of attorneys' fees and other litigation costs and expenses incurred by the Litigation Trust. For the avoidance of doubt, no Person other than the Litigation Trust (including a defendant in such action) is entitled to enforce this Section 14.4(d).

(e) The injunctions in this Section 14.4 shall extend to any successors of the Plan Debtor, the Wind Down Administrator, the Litigation Trust and the Litigation Trustee, the DIP Collateral Trust and the DIP Collateral Trustee, and the ABL Collateral Trust and the ABL Collateral Trustee and each of their respective property and interests in property.

14.5 *Releases.*

(a) Releases by the FBG Debtors and their Estates. Except as otherwise expressly set forth below in this Section 14.5, notwithstanding anything contained in the Plan to the contrary, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, the adequacy of which is hereby confirmed, as of the Effective Date, the FBG Debtors, their Estates, and successors and assigns, including the Wind Down Administrator, the Litigation Trust, the Litigation Trustee, the DIP Collateral Trust, the DIP Collateral Trustee, the ABL Collateral Trust, and the ABL Collateral Trustee, in each case on behalf of themselves and their respective successors, assigns, any Estate representative(s) appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, and any and all other Entities that may purport to assert any Claim or Cause of Action derivatively by or through any of the foregoing Entities, shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged each Released Party from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever (including any derivative claims, asserted or assertable on behalf of the Debtors or the Estates), whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise that the FBG Debtors or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part: any act or omission, obligation, transaction, transfer, agreement, event, or other occurrence taking place on or before the Effective Date, including any Claims or Causes of Action based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the governance, management, direct or indirect ownership, transactions with, or operation thereof) or their Estates; the Wind Down Administrator; the Litigation Trust; the Litigation Trustee; the DIP Collateral Trust; the DIP Collateral Trustee; the ABL Collateral Trust; the ABL Collateral Trustee; the Direct Claims Trust; the Direct Claims Trustee; the Chapter 11 Cases (including the filing and administration thereof); the Wind Down; the Disclosure Statement; the DIP Order; the negotiation, formulation, preparation, dissemination, or consummation of the transactions contemplated by the Definitive Documents or any other contract, instrument, release, or document created or entered into in connection with the Plan (including the Plan Supplement) or any of the other Definitive Documents; any other debt or Security of the Debtors and the ownership thereof; the purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors; the subject matter of, or the transactions or events giving rise to any Claim or Interest that is treated in the Plan; the business or contractual or other arrangements or other interactions between any Debtor and any Released Party; the restructuring of any Claim or Interest before or during the Chapter 11 Cases; any other in-or-out-of-court restructuring efforts of the Debtors; any intercompany obligations, transactions, or transfers; the formulation, preparation, negotiation, dissemination, solicitation, filing, confirmation, and consummation of the Plan (including the Plan Supplement) and the transactions contemplated by the Confirmation Order (including the formation of the Litigation Trust, DIP Collateral Trust, ABL Collateral Trust, and the Direct Claims Trust and the issuance of the Litigation Trust Interests, DIP Collateral Trust Interests, ABL Collateral Trust Interests, and Direct Claims Trust Interests); the funding of the Plan; the administration and implementation of the Plan or the Confirmation Order, including the distribution of property under the Plan; or any other

agreement, act or omission, transaction, transfer, event, or other occurrence related to the foregoing and taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases contained in this Section 14.5(a) (i) shall not be construed as releasing (a) any Released Party from Claims or Causes of Action arising from an act or omission that is judicially determined by a Final Order to have constituted actual fraud committed by such Released Party, or (b) any post-Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Definitive Document, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan or the transactions contemplated by the Confirmation Order; *provided* that, for the avoidance of doubt, the releases granted under this Section 14.5(a) are binding on successors to the FBG Debtors, including the chapter 7 estate of an FBG Debtor and any trustee appointed to oversee the chapter 7 estate of such FBG Debtor.

(b) Third-Party Releases. Notwithstanding anything contained in the Plan to the contrary, for good and valuable consideration, the adequacy of which is hereby confirmed, as of the Effective Date, each Releasing Party is deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged each Released Party from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims or Causes of Action asserted or assertable on behalf of the Releasing Parties that such Releasing Parties would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise based on or relating to, or in any manner arising from, in whole or in part: any act or omission, obligation, transaction, transfer, agreement, event, or other occurrence taking place on or before the Effective Date, including any Claims or Causes of Action based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the governance, management, direct or indirect ownership, transactions with, or operation thereof) or their Estates; the Wind Down Administrator; the Litigation Trust; the Litigation Trustee; the DIP Collateral Trust; the DIP Collateral Trustee; the ABL Collateral Trust; the ABL Collateral Trustee; the Direct Claims Trust; the Direct Claims Trustee; the Chapter 11 Cases (including the filing and administration thereof); the Wind Down; the Disclosure Statement; the DIP Order; the negotiation, formulation, preparation, dissemination, or consummation of the transactions contemplated by the Definitive Documents or any other contract, instrument, release, or document created or entered into in connection with the Plan (including the Plan Supplement) or any of the other Definitive Documents; any other debt or Security of the Debtors and the ownership thereof; the purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors; the subject matter of, or the transactions or events giving rise to any Claim or Interest that is treated in the Plan; the business or contractual or other arrangements or other interactions between any Releasing Party and any Released Party in connection with the Debtors; the restructuring of any Claim or Interest before or during the Chapter 11 Cases; any other in-or-out-of-court restructuring efforts of the Debtors; any intercompany obligations, transactions, or transfers; the formulation, preparation, negotiation, dissemination, solicitation, filing, confirmation, and consummation of the Plan (including the Plan Supplement) and the transactions contemplated by the Confirmation Order (including the formation of the Litigation Trust, DIP Collateral Trust, ABL Collateral Trust, and the Direct

Claims Trust and the issuance of the Litigation Trust Interests, DIP Collateral Trust Interests, ABL Collateral Trust Interests, and Direct Claims Trust Interests); the funding of the Plan; the administration and implementation of the Plan or the Confirmation Order, including the distribution of property under the Plan; or any other agreement, act or omission, transaction, transfer, event, or other occurrence related to the foregoing and taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases contained in this Section 14.5(b) shall not be construed as releasing (a) any Released Party from Claims or Causes of Action arising from an act or omission that is judicially determined by a Final Order to have constituted actual fraud committed by such Released Party, or (b) any post-Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Definitive Document, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan or the transactions contemplated by the Confirmation Order. Nothing contained in the Plan, nor the release of any claims pursuant to the Plan, is evidence of the merit, or lack of merit, of the Claims or Causes of Action released under the Plan.

14.6 *Exculpation*.

To the fullest extent permitted by applicable law, no Exculpated Party shall have or incur liability for, and each Exculpated Party is hereby released and exculpated from, any Cause of Action based on, relating to, or in any manner arising from, in whole or in part, from the Petition Date through the Effective Date: the Debtors (including the governance, management, direct or indirect ownership, transactions with, or operation thereof) or their Estates; the Wind Down Administrator; the Litigation Trust; the Litigation Trustee; the DIP Collateral Trust; the DIP Collateral Trustee; the ABL Collateral Trust; the ABL Collateral Trustee; the Direct Claims Trust; the Direct Claims Trustee; the Chapter 11 Cases (including the filing and administration thereof); the Wind Down; the Disclosure Statement; the DIP Order; the negotiation, formulation, preparation, dissemination, or consummation of the transactions contemplated by the Definitive Documents or any other contract, instrument, release, or document created or entered into in connection with the Plan (including the Plan Supplement) or any of the other Definitive Documents; any other debt or Security of the Debtors and the ownership thereof; the purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors; the business or contractual or other arrangements or other interactions between any Debtor and any Exculpated Party; the restructuring of any Claim or Interest during the Chapter 11 Cases or on the Effective Date; any intercompany obligations, transactions, or transfers; the formulation, preparation, negotiation, dissemination, solicitation, filing, confirmation, and consummation of the Plan (including the Plan Supplement) and the transactions contemplated by the Confirmation Order (including the formation of the Litigation Trust, DIP Collateral Trust, ABL Collateral Trust, and the Direct Claims Trust and the issuance of the Litigation Trust Interests, DIP Collateral Trust Interests, ABL Collateral Trust Interests, and Direct Claims Trust Interests); the funding of the Plan; the administration and implementation of the Plan or Confirmation Order, including the distribution of property under the Plan; or any other agreement, act or omission, transaction, transfer, event, or other occurrence related to the foregoing and taking place from the Petition Date through the Effective Date. Notwithstanding anything to the contrary in the foregoing, the exculpations in this Section 14.6 shall not release or exculpate (a) any Exculpated Party from Claims or Causes of Action arising from an act or omission that is judicially determined by a Final Order to have constituted actual fraud committed by such Exculpated Party, or (b) any post-

Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Definitive Document, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

14.7 *Waiver of Statutory Limitation on Releases.*

EACH RELEASING PARTY IN EACH OF THE RELEASES CONTAINED IN THE PLAN (INCLUDING UNDER ARTICLE XIV OF THE PLAN) EXPRESSLY ACKNOWLEDGES THAT ALTHOUGH ORDINARILY A GENERAL RELEASE MAY NOT EXTEND TO CLAIMS WHICH THE RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR, WHICH IF KNOWN BY IT MAY HAVE MATERIALLY AFFECTED ITS SETTLEMENT WITH THE PARTY RELEASED, IT HAS CAREFULLY CONSIDERED AND TAKEN INTO ACCOUNT IN DETERMINING TO ENTER INTO THE ABOVE RELEASES THE POSSIBLE EXISTENCE OF SUCH UNKNOWN LOSSES OR CLAIMS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EACH RELEASING PARTY EXPRESSLY WAIVES ANY AND ALL RIGHTS CONFERRED UPON IT BY ANY STATUTE OR RULE OF LAW WHICH PROVIDES THAT A RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CLAIMANT DOES NOT KNOW OR SUSPECT TO EXIST IN ITS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY IT MAY HAVE MATERIALLY AFFECTED ITS SETTLEMENT WITH THE RELEASED PARTY, INCLUDING THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542. THE RELEASES CONTAINED IN SECTION 14.5 OF THE PLAN ARE EFFECTIVE REGARDLESS OF WHETHER THOSE RELEASED MATTERS ARE PRESENTLY KNOWN, UNKNOWN, SUSPECTED OR UNSUSPECTED, FORESEEN OR UNFORESEEN.

14.8 *Injunction Related to Releases and Exculpation.*

The Confirmation Order shall permanently enjoin the commencement or prosecution by any Entity, whether directly, derivatively, or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses, or liabilities released or exculpated pursuant to the Plan, including the claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, and liabilities released or exculpated in the Plan or the Confirmation Order.

14.9 *Subordinated Claims.*

The allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and treatments thereof under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, sections 510(a), 510(b), or 510(c) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Plan Debtor and the Wind Down Administrator reserve the right, to reclassify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

14.10 *Retention of Causes of Action and Reservation of Rights.*

Except as otherwise provided in the Plan, including in all respects Sections 14.5(a), 14.5(b), 14.6, and 14.7, nothing contained in the Plan or the Confirmation Order shall be deemed to be a waiver or relinquishment of any rights, claims, Causes of Action, rights of setoff or recoupment, or other legal or equitable defenses that the Debtors had immediately prior to the Effective Date on behalf of their Estates or of themselves in accordance with any provision of the Bankruptcy Code or any applicable non-bankruptcy law. Except as otherwise provided in the Plan, including in all respects Sections 14.5(a), 14.5(b), 14.6, and 14.7, the Plan Debtor, the Litigation Trust, the DIP Collateral Trust, and the ABL Collateral Trust, as applicable, shall have, retain, reserve, and be entitled to assert all such claims, Causes of Action, rights of setoff or recoupment, and other legal or equitable defenses as fully as if the Chapter 11 Cases had not been commenced, and all of the Debtors' legal and equitable rights in respect of any Unimpaired Claim may be asserted after the Confirmation Date and Effective Date to the same extent as if the Chapter 11 Cases had not been commenced.

14.11 *Ipso Facto and Similar Provisions Ineffective.*

Any term of any prepetition policy, prepetition contract, or other prepetition obligation applicable to a Debtor shall be void and of no further force or effect with respect to any Debtor to the extent that such policy, contract, or other obligation is conditioned on, creates an obligation of the Debtor as a result of, or gives rise to a right of any Entity based on (i) the insolvency or financial condition of a Debtor, (ii) the commencement of the Chapter 11 Cases, or (iii) the confirmation or consummation of the Plan, including any change of control that shall occur as a result of such consummation.

14.12 *Solicitation of Plan.*

As of the Confirmation Date: (a) the Plan Debtor shall be deemed to have solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including without limitation, sections 1125(a) and (e) of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation; and (b) the Plan Debtor and each of its respective managers, directors, officers, employees, affiliates, agents, financial advisors, investment bankers, professionals, accountants, and attorneys shall be deemed to have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code and any applicable non-bankruptcy law, rule, or regulation in such solicitation, and therefore are not, and on account thereof shall not be, liable at any time for any violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan.

ARTICLE XV. RETENTION OF JURISDICTION.

15.1 *Retention of Jurisdiction.*

On and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction, pursuant to sections 1334 and 157 of title 28 of the United States Code, over all matters arising in, arising under, or related to the Plan Debtor's Chapter 11 Case for, among other things, the following purposes:

(a) to determine any motion, adversary proceeding, application, contested matter, and other litigated matter pending on or commenced after the Confirmation Date;

(b) to hear and resolve any disputes arising from or related to (i) any orders of the Bankruptcy Court granting relief under Bankruptcy Rule 2004 or (ii) any protective orders entered by the Bankruptcy Court in connection with the foregoing;

(c) to ensure that distributions to holders of Allowed Claims and Interests are accomplished as provided in the Plan and the Confirmation Order and to adjudicate any and all disputes arising from or relating to distributions under the Plan;

(d) to consider the allowance, classification, priority, compromise, estimation, or payment of any Claim or any counterclaim related thereto;

(e) to hear and determine settlements and disputes with respect to any Litigation Trust Asset, including any Estate Claims;

(f) to hear and determine settlements and disputes with respect to any DIP Collateral Trust Asset;

(g) to hear and determine settlements and disputes with respect to any ABL Collateral Trust Asset;

(h) to hear and determine any disputes with respect to the Factored Receivables Account and the funds deposited therein;

(i) to hear and determine any disputes with respect to the SPV-ABL Wind Down Account and SPV-DIP Wind Down Account and the funds deposited therein;

(j) to determine any motion, adversary proceeding, application, contested matter, or other litigated matter pending on or commenced after the Confirmation Date, including any such motions, adversary proceeding, application, contested matter or other litigated matter brought by the Plan Debtor, the Wind Down Administrator, the Litigation Trustee, the DIP Collateral Trustee, or the ABL Collateral Trustee;

(k) to enter, implement, or enforce such orders as may be appropriate in the event that the Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated;

(l) to issue and enforce 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;

(m) to hear and determine any application to modify the Plan in accordance with section 1127 of the Bankruptcy Code or approve any modification of the Confirmation Order or any contract, instrument, release, or other agreements or document created in connection with the Plan, the Disclosure Statement, or the Confirmation Order (in each case, to the extent Bankruptcy

Court approval is necessary), or to remedy any defect or omission or reconcile any inconsistency in the Plan, the Disclosure Statement, the Confirmation Order, or any order of the Bankruptcy Court, in such a manner as may be necessary to carry out the purposes and effects thereof;

(n) to hear and determine all Professional Fee Claims;

(o) to resolve disputes concerning any reserves with respect to Disputed Claims or the administration thereof;

(p) to hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan, the Confirmation Order, any transactions or payments in furtherance of either, or any agreement, instrument, or other document governing or related to any of the foregoing;

(q) to hear and determine all disputes involving the existence, nature, scope or enforcement of any exculpations, discharges, injunctions and releases granted in the Plan;

(r) to take any action and issue such orders, including any such action or orders as may be necessary after entry of the Confirmation Order or the occurrence of the Effective Date, as may be necessary to construe, enforce, implement, execute, and consummate the Plan, the Plan Supplement, and the Confirmation Order;

(s) to determine such other matters and for such other purposes as may be provided in the Confirmation Order;

(t) to hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code (including any requests for expedited determinations under section 505(b) of the Bankruptcy Code);

(u) to hear and determine any other matters related to the Plan Debtor's Chapter 11 Case and not inconsistent with the Bankruptcy Code or title 28 of the United States Code;

(v) to resolve any disputes concerning whether a Person had sufficient notice of the Plan Debtor's Chapter 11 Case, the Disclosure Statement, any solicitation conducted in connection with the Plan Debtor's Chapter 11 Case, or any bar date or established in the Plan Debtor's Chapter 11 Case, for the purpose for determining whether a Claim or Interest is discharged hereunder or for any other purposes;

(w) to hear, adjudicate, decide, or resolve any and all matters related to ARTICLE XIV of the Plan, including the releases, discharge, exculpations, and injunctions issued thereunder;

(x) to enforce all orders previously entered by the Bankruptcy Court;

(y) to hear and determine any rights, Claims, or Causes of Action held by or accruing to the Plan Debtor pursuant to the Bankruptcy Code or pursuant to any federal statute or legal theory;

(z) to recover all assets of the Litigation Trust, DIP Collateral Trust, the ABL Collateral Trust, the Plan Debtor and property of the Plan Debtor's Estate, wherever located; and

(aa) to enter a final decree closing the Plan Debtor's Chapter 11 Case.

15.2 ***Courts of Competent Jurisdiction.***

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising out of the Plan, such abstention, refusal, or failure of jurisdiction shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

ARTICLE XVI. MISCELLANEOUS PROVISIONS.

16.1 ***Statutory Fees.***

All Statutory Fees due and payable prior to the Effective Date shall be paid by the Plan Debtor in full on the Effective Date. On and after the Effective Date, the Wind Down Administrator shall pay any and all Statutory Fees when due and payable, and shall file with the Bankruptcy Court quarterly reports in a form reasonably acceptable to the U.S. Trustee. After the Effective Date, Wind Down Administrator, on behalf of the Plan Debtor, shall remain obligated to file post-confirmation quarterly reports and to pay Statutory Fees to the U.S. Trustee until the earliest of the Plan Debtor's case being closed, dismissed, or converted to a case under Chapter 7 of the Bankruptcy Code. Notwithstanding anything to the contrary herein, the U.S. Trustee shall not be required to file a Proof of Claim or any other request for payment of Statutory Fees.

16.2 ***Exemption from Certain Transfer Taxes.***

Pursuant to and to the fullest extent permitted by section 1146(a) of the Bankruptcy Code, (a) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Plan Debtor; or (b) the issuance, renewal, modification, or securing of indebtedness by such means, and the making, delivery or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instruments of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan (including the Confirmation Order), including with respect to any transfers to or by the Litigation Trust, the DIP Collateral Trust, and the ABL Collateral Trust, shall not be subject to any document recording tax, stamp tax, conveyance fee or other similar tax, mortgage tax, real estate transfer tax, mortgage recording tax, document recording tax, intangibles or similar tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, sales tax, use tax or other similar tax or governmental assessment. Consistent with the foregoing, each recorder of deeds or similar official for any county, city or Governmental Unit in which any instrument hereunder is to be recorded shall, pursuant to the Confirmation Order, be ordered and directed to accept such instrument without requiring the payment of any filing fees, documentary stamp tax, deed stamps, stamp tax, transfer tax, intangible tax or similar tax.

16.3 ***Dissolution of Creditors' Committee.***

On the Effective Date, the Creditors' Committee shall dissolve, and the members thereof shall be released and discharged from all rights and duties arising from, or related to, the Chapter 11 Cases. The Debtors, the Wind Down Administrator, the Trusts, and the Trustees shall not be responsible for paying the fees or expenses incurred by the members of or advisors to the Creditors' Committee after the Effective Date, except for any Professional Fees incurred by the Creditors' Committee, including with respect to any appeal of the Plan and as agreed pursuant to the Agreed Budget.

16.4 ***Request for Expedited Determination of Taxes of the Plan Debtor.***

The Plan Debtor and the Wind Down Administrator shall have the right to request an expedited determination under section 505(b) of the Bankruptcy Code with respect to tax returns of the Plan Debtor filed, or to be filed, for any and all taxable periods ending after the Petition Date.

16.5 ***Dates of Actions to Implement 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 or as soon as reasonably practicable after the next succeeding Business Day but shall be deemed to have been completed as of the required date.

16.6 ***Amendments.***

(a) **Plan Modifications.** The Plan may be amended, supplemented, or otherwise modified by the Plan Debtor (with the consent of the Required Consenting Lenders and the Creditors' Committee, not to be unreasonably withheld, conditioned or delayed) in the manner provided for by section 1127 of the Bankruptcy Code or as otherwise permitted by law, without additional disclosure pursuant to section 1125 of the Bankruptcy Code, except as otherwise ordered by the Bankruptcy Court. In addition, after the Confirmation Date, so long as such action does not materially and adversely affect the Litigation Trust, the DIP Collateral Trust, or the treatment of holders of Allowed Claims pursuant to the Plan, the Plan Debtor may remedy any defect or omission or reconcile any inconsistencies in the Plan or the Confirmation Order with respect to such matters as may be necessary to carry out the purposes and effects of the Plan and any holder of a Claim or Interest that has accepted the Plan shall be deemed to have accepted the Plan as amended, supplemented, or otherwise modified.

(b) **Certain Technical Amendments.** Prior to the Effective Date, the Plan Debtor (with the consent of the Required Consenting Lenders and the Creditors' Committee, not to be unreasonably withheld, conditioned or delayed) may make appropriate technical adjustments and modifications to the Plan without further order or approval of the Bankruptcy Court, as long as such technical adjustments and modifications do not adversely affect in a material way the Litigation Trust, the DIP Collateral Trust, the ABL Trust, or the treatment of the holders of Claims or Interests under the Plan.

16.7 *Revocation or Withdrawal of Plan*.

The Plan Debtor reserves the right to revoke or withdraw the Plan prior to the Effective Date. If the Plan has been revoked or withdrawn prior to the Effective Date, or if confirmation or the occurrence of the Effective Date does not occur on the Effective Date, then (a) the Plan shall be null and void in all respects, (b) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount any Claim or Interest or Class of Claims or Interests), assumption or rejection of executory contracts or unexpired leases affected by the Plan, and any document or agreement executed pursuant to the Plan shall be deemed null and void, and (c) nothing contained in the Plan shall (i) constitute a waiver or release of any Claim by or against, or any Interest in, the Plan Debtor or any other Person, (ii) prejudice in any manner the rights of the Plan Debtor or any other Person, including the holders of Claims, or (iii) constitute an admission, acknowledgement, offering, or undertaking of any sort by the Plan Debtor or any other Person.

16.8 *Notice of Effective Date*.

As soon as practicable, the Plan Debtor shall file a notice of the occurrence of the Effective Date with the Bankruptcy Court.

16.9 *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.

16.10 *Governing Law*.

Except to the extent that the Bankruptcy Code or other federal law is applicable or to the extent that the Plan or the Confirmation Order provides otherwise, the rights, duties, and obligations arising under the Plan and the Confirmation Order shall be governed by, and construed and enforced in accordance with, the internal laws of the State of New York, without giving effect to the principles of conflicts of laws thereof (other than section 5-1401 and section 5-1402 of the New York General Obligations Law).

16.11 *Immediate Binding Effect*.

Notwithstanding Bankruptcy Rules 3020(e), 6004(h), 7062, or otherwise, upon the occurrence of the Effective Date, the terms of the Plan, the Plan Supplement, and the Confirmation Order shall be immediately effective and enforceable and deemed binding upon and inure to the benefit of the Plan Debtor, the Wind Down Administrator, the Litigation Trustee, the DIP Collateral Trustee, the ABL Collateral Trustee, the holders of Claims or Interests (regardless of whether the holders of such Claims or Interests are deemed to have accepted or rejected the Plan), the Electing Creditors, the Released Parties, the Exculpated Parties, each of their respective successors and assigns, and any chapter 7 trustees appointed in any chapter 7 cases of the Debtors.

16.12 *Successors and Assigns*.

The rights, benefits, and obligations of any Person named or referred to in the Plan shall be binding on and shall inure to the benefit of any heir, executor, administrator, successor, or permitted assign, if any, of each such Person.

16.13 *Entire Agreement*.

On the Effective Date, the Plan, the Plan Supplement, and the Confirmation Order shall supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan and Confirmation Order.

16.14 *Severability of Plan Provisions*.

If, before the entry of the Confirmation Order, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court, at the request of the Plan Debtor, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is (a) valid and enforceable pursuant to its terms, (b) integral to the Plan and may not be deleted or modified without the consent of the Plan Debtor or the Wind Down Administrator (as the case may be), and (c) non-severable and mutually dependent, unless otherwise agreed in the Plan Support Agreement.

16.15 *Additional Documents*.

On or before the Effective Date, the Plan Debtor may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Plan Debtor, the Wind Down Administrator, the Litigation Trustee, the DIP Collateral Trustee, the ABL Collateral Trustee, and all holders of Claims receiving distributions pursuant to the Plan and all other parties in interest shall, 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.

16.16 *Deemed Acts*.

Subject to and conditioned on the occurrence of the Effective Date, whenever an act or event is expressed under the Plan to have been deemed done or to have occurred, it shall be deemed to have been done or to have occurred without any further act by any party, by virtue of the Plan and the Confirmation Order.

16.17 *Computing Time*.

In computing any period of time prescribed or allowed by the Plan, unless otherwise set forth in the Plan or determined by the Bankruptcy Court, the provisions of Bankruptcy Rule 9006 shall apply.

16.18 *Exhibits to Plan*.

All exhibits, schedules, supplements, and appendices to the Plan (including the Plan Supplement) are incorporated into and are a part of the Plan as if set forth in full herein.

16.19 *Notices*.

All notices, requests, and demands hereunder to be effective shall be in writing (including by facsimile or email transmission) and, unless otherwise provided herein, shall be deemed to have been duly given or made only when actually delivered or, in the case of notice by facsimile or email transmission, upon confirmation of transmission, addressed as follows:

(1) If to the Plan Debtor, to:

Premier Marketing Group, LLC
127 Public Square, Suite 5300
Cleveland, Ohio 44114
Attn: Charles M. Moore, Chief Executive Officer
Email: cmoore@alvarezandmarsal.com

with a copy (which will not constitute notice) to:

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153
Attn: Matthew S. Barr
Sunny Singh
Andriana Georgallas
Kevin Bostel
Jason H. George
Email: matt.barr@weil.com
sunny.singh@weil.com
andriana.georgallas@weil.com
kevin.bostel@weil.com
jason.george@weil.com

-and-

700 Louisiana Street, Suite 3700
Houston, Texas 77002
Attn: Clifford W. Carlson
Email: clifford.carlson@weil.com

(2) If to the Ad Hoc Group to:

Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, New York 10166
Attn: Scott J. Greenberg
AnnElyse Scarlett Gains
Christina M. Brown
Email: sgreenberg@gibsondunn.com
again s@gibsondunn.com
christina.brown@gibsondunn.com

(3) If to the Creditors' Committee, to:

Brown Rudnick LLP
7 Times Square
New York, New York 10036
Attn: Robert J. Stark
Bennett S. Silverberg
Kenneth J. Aulet
Email: rstark@brownrudnick.com
bsilverberg@brownrudnick.com
kaulet@brownrudnick.com

(4) If to the Wind Down Administrator to:

[●]

with a copy (which shall not constitute notice) to:

[●]

(5) If to the Litigation Trustee to:

[●]

with a copy (which shall not constitute notice) to:

[●]

(6) If to the DIP Collateral Trustee to:

[●]

with a copy (which shall not constitute notice) to:

[●]

(7) If to the ABL Collateral Trustee to:

[●]

with a copy (which shall not constitute notice) to:

[●]

(8) If to the Direct Claims Trustee to:

[●]

with a copy (which shall not constitute notice) to:

[●]

After the Effective Date, the Wind Down Administrator has authority to send a notice to Persons providing that, to continue to receive documents pursuant to Bankruptcy Rule 2002, such Persons must file a renewed request to receive documents pursuant to Bankruptcy Rule 2002. Notwithstanding the foregoing, the U.S. Trustee need not file such a renewed request and shall continue to receive documents without any further action being necessary. After the Effective Date, the Wind Down Administrator is authorized to limit the list of Persons receiving

documents pursuant to Bankruptcy Rule 2002 to those Persons that have filed such renewed requests.

16.20 *Reservation of Rights*.

Except as otherwise provided herein, the Plan shall be of no force or effect unless the Bankruptcy Court enters the Confirmation Order. None of the filing of the Plan, any statement or provision of the Plan, or the taking of any action by the Plan Debtor with respect to the Plan, the Disclosure Statement, the Confirmation Order, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of the Plan Debtor or any other Persons with respect to any Claims or Interests prior to the Effective Date.

[*Remainder of Page Intentionally Left Blank*]

Dated: April 28, 2026
New York, New York

Respectfully submitted,

By: */s/ Charles M. Moore*
Name: Charles M. Moore
Title: Chief Executive Officer

On behalf of Premier Marketing Group, LLC

EXHIBIT B

Release, Exculpation, and Plan Injunction Provisions

14.3 *Pre-Confirmation Injunctions and Stays.*

Unless otherwise provided in the Plan or a Final Order of the Bankruptcy Court, all injunctions and stays arising under or entered during the Plan Debtor's Chapter 11 Case, whether under sections 105 or 362 of the Bankruptcy Code or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the later of the Effective Date and the date indicated in the order providing for such injunction or stay. For the avoidance of doubt, no injunction or stay shall interfere with the administration of the Litigation Trust or the prosecution of claims owned by such Litigation Trust.

14.4 *Plan Injunction.*

(a) Upon the entry of the Confirmation Order, all holders of Claims and Interests and all other parties in interest, along with their respective present and former Affiliates, employees, agents, officers, directors, and principals, shall be enjoined from taking any action to interfere with the implementation or consummation of the Plan or the occurrence of the Effective Date, including, for the avoidance of doubt, exercising control, or attempting to exercise control, over the Litigation Trust Assets, including the Estate Claims.

(b) Except as otherwise expressly provided in the Plan, or for distributions required to be paid or delivered pursuant to the Plan or the Confirmation Order, all Entities that have held, hold, or may hold Claims, Interests, or Causes of Action that are (i) released or discharged pursuant to the Plan, including under Section 14.5(a) or Section 14.5(b) of the Plan, or (ii) subject to exculpation pursuant to Section 14.6 of the Plan, and all other parties in interest, are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Plan Debtor, the Plan Debtor's Estate, the Wind Down Administrator, the Litigation Trust, the DIP Collateral Trust, the ABL Collateral Trust, the Released Parties, and/or the Exculpated Parties (to the extent of the exculpation provided pursuant to Section 14.6 of the Plan with respect to the Exculpated Parties), as applicable, with respect to such Claims, Interests, and Causes of Action: (A) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including any proceeding in a judicial, arbitral, administrative, or other forum) on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action; (B) enforcing, levying, attaching (including any prejudgment attachment), collecting, or otherwise recovering in any manner or by any means, whether directly, or indirectly, any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action; (C) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien or encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action; (D) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action unless (x) such Entity has timely asserted such setoff right either in a filed proof of Claim, or in another document filed with the Bankruptcy Court explicitly preserving such setoff or that otherwise indicates that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise or (y) such

right to setoff arises under a postpetition agreement with the Debtors or (i) an executory contract or (ii) an unexpired lease, in the case of (i) and (ii), that has been assumed by the Debtors as of the Effective Date; (E) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan and Confirmation Order, to the full extent permitted by applicable law; (F) commencing or continuing, in any manner or in any place, any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action released, settled, and/or treated, entitled to a distribution, or cancelled pursuant to the Plan, including pursuant to Section 14.5(a) or Section 14.5(b) of the Plan; and (G) exercising control, or attempting to exercise control, over the Litigation Trust Assets, including the Estate Claims; *provided* that such Entities that have held, hold, or may hold Claims against, Interests in, or Causes of Action against, the Plan Debtor or its Estate shall not be precluded from exercising their rights and remedies, or obtaining the benefits, solely pursuant to and consistent with the terms of the Plan.

(c) Subject in all respects to Section 15.1 of the Plan, no Entity may commence or pursue a Claim or Cause of Action of any kind against any Exculpated Party that arose or arises from, in whole or in part: the Debtors (including the governance, management, direct or indirect ownership, transactions with, or operation thereof) or their Estates; the Wind Down Administrator; the Litigation Trust; the Litigation Trustee; the DIP Collateral Trust; the DIP Collateral Trustee; the ABL Collateral Trust; the ABL Collateral Trustee; the Chapter 11 Cases (including the filing and administration thereof); the Wind Down; the Disclosure Statement; the DIP Order; the negotiation, formulation, preparation, dissemination, or consummation of the Definitive Documents or any other contract, instrument, release, or document created or entered into in connection with the Plan (including the Plan Supplement) or any of the other Definitive Documents; any other debt or Security of the Debtors and the ownership thereof; the purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors; the subject matter of, or the transactions or events giving rise to any Claim or Interest that is treated in the Plan; the business or contractual or other arrangements or other interactions between any Releasing Party and any Released Party or Exculpated Party; the restructuring of any Claim or Interest before or during the Chapter 11 Cases; any other in-or-out-of-court restructuring efforts of the Debtors; any intercompany obligations, transactions, or transfers; the formulation, preparation, negotiation, dissemination, solicitation, filing, confirmation, and consummation of the Plan (including the Plan Supplement) and the transactions contemplated by the Confirmation Order; the funding of the Plan; the administration and implementation of the Plan or Confirmation Order, including the distribution of property under the Plan; or any other agreement, act or omission, transaction, transfer, event, or other occurrence related to the foregoing and taking place on or before the Effective Date related or relating to the foregoing without the Bankruptcy Court (i) first determining, after notice and a hearing, that such Claim or Cause of Action represents a colorable claim that has not been exculpated under the Plan and (ii) specifically authorizing such Entity to bring such Claim or Cause of Action against any such Exculpated Party. The Bankruptcy Court shall have sole and exclusive jurisdiction to determine whether a Claim or Cause of Action is colorable and has not been exculpated and, only to the extent legally permissible and as provided for in Section 15.1 of the Plan, shall have jurisdiction to adjudicate the underlying colorable Claim or Cause of Action. For the avoidance of doubt, the foregoing sentence is

subject to applicable law regarding the Bankruptcy Court's subject matter jurisdiction to hear such matter.

(d) As of the Effective Date, all Persons other than the Litigation Trust are permanently enjoined from commencing, conducting, or continuing, directly or indirectly, any litigation or prosecution of an Estate Claim (including in any proceeding in a judicial, arbitral, administrative, or other forum). If any Person other than the Litigation Trust commences, conducts, or continues litigation or prosecution of an Estate Claim without a prior determination by the Bankruptcy Court that the claim or cause of action is not an Estate Claim, the Litigation Trust shall be entitled to make an emergency application to the Bankruptcy Court for a determination that such claim or Cause of Action is an Estate Claim and that this injunction has been violated. Upon such determination, damages may be awarded in the amount of attorneys' fees and other litigation costs and expenses incurred by the Litigation Trust. For the avoidance of doubt, no Person other than the Litigation Trust (including a defendant in such action) is entitled to enforce this Section14.4(d).

(e) The injunctions in this Section 14.4 shall extend to any successors of the Plan Debtor, the Wind Down Administrator, the Litigation Trust and the Litigation Trustee, the DIP Collateral Trust and the DIP Collateral Trustee, and the ABL Collateral Trust and the ABL Collateral Trustee and each of their respective property and interests in property.

14.5 *Releases*.

(a) Releases by the FBG Debtors and their Estates. Except as otherwise expressly set forth below in this Section14.5, notwithstanding anything contained in the Plan to the contrary, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, the adequacy of which is hereby confirmed, as of the Effective Date, the FBG Debtors, their Estates, and successors and assigns, including the Wind Down Administrator, the Litigation Trust, the Litigation Trustee, the DIP Collateral Trust, the DIP Collateral Trustee, the ABL Collateral Trust, and the ABL Collateral Trustee, in each case on behalf of themselves and their respective successors, assigns, any Estate representative(s) appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, and any and all other Entities that may purport to assert any Claim or Cause of Action derivatively by or through any of the foregoing Entities, shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged each Released Party from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever (including any derivative claims, asserted or assertable on behalf of the Debtors or the Estates), whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise that the FBG Debtors or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part: any act or omission, obligation, transaction, transfer, agreement, event, or other occurrence taking place on or before the Effective Date, including any Claims or Causes of Action based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the governance, management, direct or indirect ownership, transactions with, or operation thereof) or their Estates; the Wind Down Administrator; the Litigation Trust; the Litigation Trustee; the DIP

Collateral Trust; the DIP Collateral Trustee; the ABL Collateral Trust; the ABL Collateral Trustee; the Direct Claims Trust; the Direct Claims Trustee; the Chapter 11 Cases (including the filing and administration thereof); the Wind Down; the Disclosure Statement; the DIP Order; the negotiation, formulation, preparation, dissemination, or consummation of the transactions contemplated by the Definitive Documents or any other contract, instrument, release, or document created or entered into in connection with the Plan (including the Plan Supplement) or any of the other Definitive Documents; any other debt or Security of the Debtors and the ownership thereof; the purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors; the subject matter of, or the transactions or events giving rise to any Claim or Interest that is treated in the Plan; the business or contractual or other arrangements or other interactions between any Debtor and any Released Party; the restructuring of any Claim or Interest before or during the Chapter 11 Cases; any other in-or-out-of-court restructuring efforts of the Debtors; any intercompany obligations, transactions, or transfers; the formulation, preparation, negotiation, dissemination, solicitation, filing, confirmation, and consummation of the Plan (including the Plan Supplement) and the transactions contemplated by the Confirmation Order (including the formation of the Litigation Trust, DIP Collateral Trust, ABL Collateral Trust, and the Direct Claims Trust and the issuance of the Litigation Trust Interests, DIP Collateral Trust Interests, ABL Collateral Trust Interests, and Direct Claims Trust Interests); the funding of the Plan; the administration and implementation of the Plan or the Confirmation Order, including the distribution of property under the Plan; or any other agreement, act or omission, transaction, transfer, event, or other occurrence related to the foregoing and taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases contained in this Section 14.5(a) (i) shall not be construed as releasing (a) any Released Party from Claims or Causes of Action arising from an act or omission that is judicially determined by a Final Order to have constituted actual fraud committed by such Released Party, or (b) any post-Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Definitive Document, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan or the transactions contemplated by the Confirmation Order; *provided* that, for the avoidance of doubt, the releases granted under this Section 14.5(a) are binding on successors to the FBG Debtors, including the chapter 7 estate of an FBG Debtor and any trustee appointed to oversee the chapter 7 estate of such FBG Debtor.

(b) Third-Party Releases. Notwithstanding anything contained in the Plan to the contrary, for good and valuable consideration, the adequacy of which is hereby confirmed, as of the Effective Date, each Releasing Party is deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged each Released Party from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims or Causes of Action asserted or assertable on behalf of the Releasing Parties that such Releasing Parties would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise based on or relating to, or in any manner arising from, in whole or in part: any act or omission, obligation, transaction, transfer, agreement, event, or other occurrence taking place on or before the Effective Date, including any Claims or Causes of Action based

on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the governance, management, direct or indirect ownership, transactions with, or operation thereof) or their Estates; the Wind Down Administrator; the Litigation Trust; the Litigation Trustee; the DIP Collateral Trust; the DIP Collateral Trustee; the ABL Collateral Trust; the ABL Collateral Trustee; the Direct Claims Trust; the Direct Claims Trustee; the Chapter 11 Cases (including the filing and administration thereof); the Wind Down; the Disclosure Statement; the DIP Order; the negotiation, formulation, preparation, dissemination, or consummation of the transactions contemplated by the Definitive Documents or any other contract, instrument, release, or document created or entered into in connection with the Plan (including the Plan Supplement) or any of the other Definitive Documents; any other debt or Security of the Debtors and the ownership thereof; the purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors; the subject matter of, or the transactions or events giving rise to any Claim or Interest that is treated in the Plan; the business or contractual or other arrangements or other interactions between any Releasing Party and any Released Party in connection with the Debtors; the restructuring of any Claim or Interest before or during the Chapter 11 Cases; any other in-or-out-of-court restructuring efforts of the Debtors; any intercompany obligations, transactions, or transfers; the formulation, preparation, negotiation, dissemination, solicitation, filing, confirmation, and consummation of the Plan (including the Plan Supplement) and the transactions contemplated by the Confirmation Order (including the formation of the Litigation Trust, DIP Collateral Trust, ABL Collateral Trust, and the Direct Claims Trust and the issuance of the Litigation Trust Interests, DIP Collateral Trust Interests, ABL Collateral Trust Interests, and Direct Claims Trust Interests); the funding of the Plan; the administration and implementation of the Plan or the Confirmation Order, including the distribution of property under the Plan; or any other agreement, act or omission, transaction, transfer, event, or other occurrence related to the foregoing and taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases contained in this Section 14.5(b) shall not be construed as releasing (a) any Released Party from Claims or Causes of Action arising from an act or omission that is judicially determined by a Final Order to have constituted actual fraud committed by such Released Party, or (b) any post-Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Definitive Document, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan or the transactions contemplated by the Confirmation Order. Nothing contained in the Plan, nor the release of any claims pursuant to the Plan, is evidence of the merit, or lack of merit, of the Claims or Causes of Action released under the Plan.

14.6 *Exculpation*.

To the fullest extent permitted by applicable law, no Exculpated Party shall have or incur liability for, and each Exculpated Party is hereby released and exculpated from, any Cause of Action based on, relating to, or in any manner arising from, in whole or in part, from the Petition Date through the Effective Date: the Debtors (including the governance, management, direct or indirect ownership, transactions with, or operation thereof) or their Estates; the Wind Down Administrator; the Litigation Trust; the Litigation Trustee; the DIP Collateral Trust; the DIP Collateral Trustee; the ABL Collateral Trust; the ABL Collateral Trustee; the Direct Claims Trust; the Direct Claims Trustee; the Chapter 11 Cases (including the filing and administration thereof);

the Wind Down; the Disclosure Statement; the DIP Order; the negotiation, formulation, preparation, dissemination, or consummation of the transactions contemplated by the Definitive Documents or any other contract, instrument, release, or document created or entered into in connection with the Plan (including the Plan Supplement) or any of the other Definitive Documents; any other debt or Security of the Debtors and the ownership thereof; the purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors; the business or contractual or other arrangements or other interactions between any Debtor and any Exculpated Party; the restructuring of any Claim or Interest during the Chapter 11 Cases or on the Effective Date; any intercompany obligations, transactions, or transfers; the formulation, preparation, negotiation, dissemination, solicitation, filing, confirmation, and consummation of the Plan (including the Plan Supplement) and the transactions contemplated by the Confirmation Order (including the formation of the Litigation Trust, DIP Collateral Trust, ABL Collateral Trust, and the Direct Claims Trust and the issuance of the Litigation Trust Interests, DIP Collateral Trust Interests, ABL Collateral Trust Interests, and Direct Claims Trust Interests); the funding of the Plan; the administration and implementation of the Plan or Confirmation Order, including the distribution of property under the Plan; or any other agreement, act or omission, transaction, transfer, event, or other occurrence related to the foregoing and taking place from the Petition Date through the Effective Date. Notwithstanding anything to the contrary in the foregoing, the exculpations in this Section 14.614.6 shall not release or exculpate (a) any Exculpated Party from Claims or Causes of Action arising from an act or omission that is judicially determined by a Final Order to have constituted actual fraud committed by such Exculpated Party, or (b) any post-Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Definitive Document, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

14.7 ***Waiver of Statutory Limitation on Releases.***

EACH RELEASING PARTY IN EACH OF THE RELEASES CONTAINED IN THE PLAN (INCLUDING UNDER ARTICLE XIV OF THE PLAN) EXPRESSLY ACKNOWLEDGES THAT ALTHOUGH ORDINARILY A GENERAL RELEASE MAY NOT EXTEND TO CLAIMS WHICH THE RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR, WHICH IF KNOWN BY IT MAY HAVE MATERIALLY AFFECTED ITS SETTLEMENT WITH THE PARTY RELEASED, IT HAS CAREFULLY CONSIDERED AND TAKEN INTO ACCOUNT IN DETERMINING TO ENTER INTO THE ABOVE RELEASES THE POSSIBLE EXISTENCE OF SUCH UNKNOWN LOSSES OR CLAIMS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EACH RELEASING PARTY EXPRESSLY WAIVES ANY AND ALL RIGHTS CONFERRED UPON IT BY ANY STATUTE OR RULE OF LAW WHICH PROVIDES THAT A RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CLAIMANT DOES NOT KNOW OR SUSPECT TO EXIST IN ITS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY IT MAY HAVE MATERIALLY AFFECTED ITS SETTLEMENT WITH THE RELEASED PARTY, INCLUDING THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542. THE RELEASES CONTAINED IN SECTION 14.5 OF THE PLAN ARE EFFECTIVE REGARDLESS OF WHETHER THOSE RELEASED MATTERS ARE PRESENTLY KNOWN, UNKNOWN, SUSPECTED OR UNSUSPECTED, FORESEEN OR UNFORESEEN.

14.8 *Injunction Related to Releases and Exculpation*.

The Confirmation Order shall permanently enjoin the commencement or prosecution by any Entity, whether directly, derivatively, or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses, or liabilities released or exculpated pursuant to the Plan, including the claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, and liabilities released or exculpated in the Plan or the Confirmation Order.

EXHIBIT C

Solicitation and Voting Procedures

(To Come)

EXHIBIT D

Organizational Chart

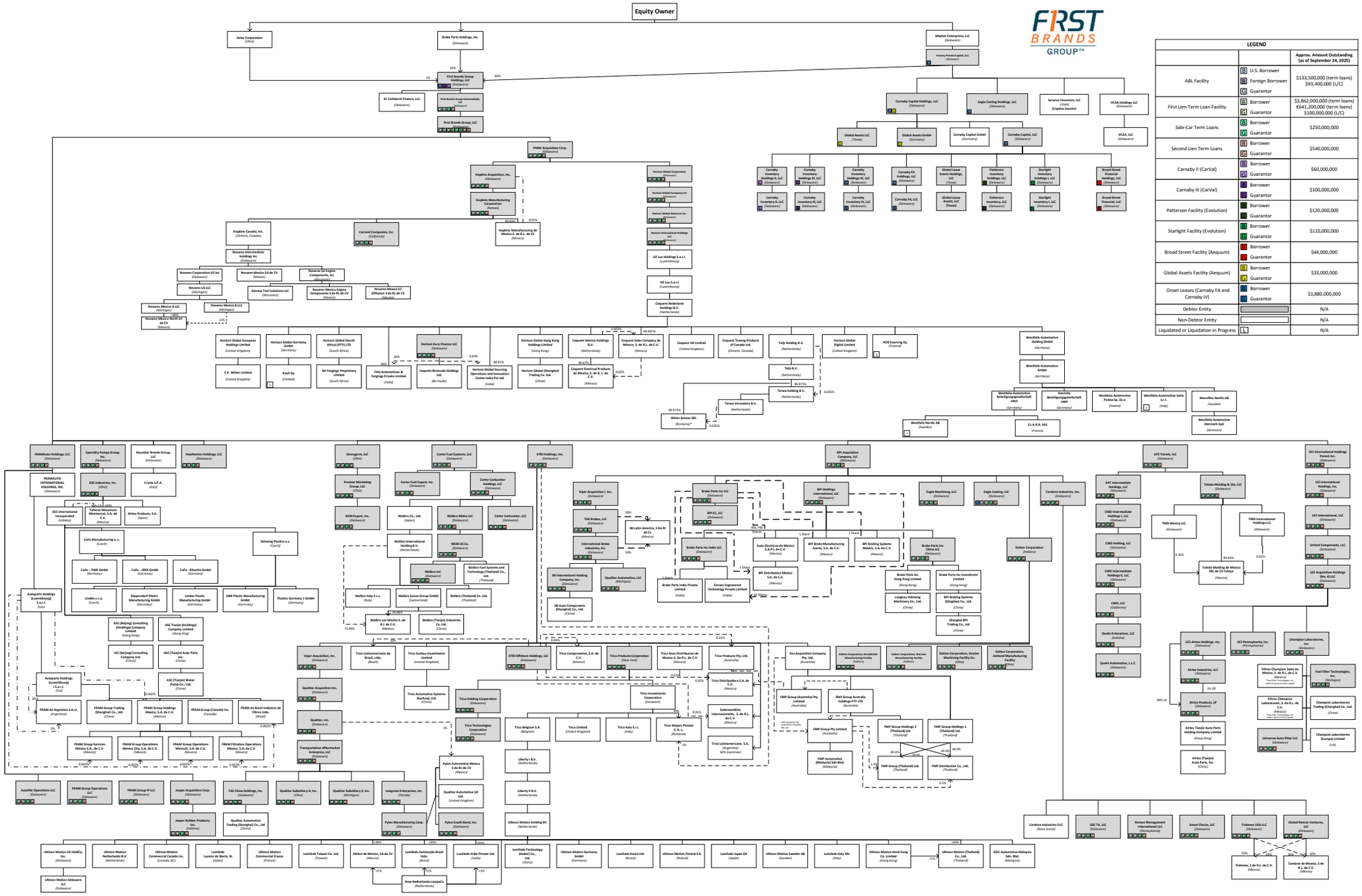

Equity Owner
FIRST BRANDS GROUP™
LEGEND
Approx. Amount Outstanding (as of September 24, 2025)
ABL Facility
U.S. Borrower
Foreign Borrower
Guarantor
$133,500,000 (term loans)
$93,400,000 (L/C)
First Lien Term Loan Facility
Borrower
Guarantor
$3,862,000,000 (term loans)
€641,200,000 (term loans)
$100,000,000 (L/C)
Side-Car Term Loans
$250,000,000
Second Lien Term Loans
$540,000,000
Carnaby II (CarVal)
$60,000,000
Carnaby III (CarVal)
$100,000,000
Patterson Facility (Evolution)
$120,000,000
Starlight Facility (Evolution)
$110,000,000
Broad Street Facility (Aequum)
$44,000,000
Global Assets Facility (Aequum)
$33,000,000
Onset Leases (Carnaby FA and Carnaby IV)
$1,880,000,000
Debtor Entity
N/A
Non-Debtor Entity
N/A
Liquidated or Liquidation in Progress
N/A

EXHIBIT E

Marketing Materials

(To Come)