

including an acknowledgment that the proposed assumption provided adequate assurance of future performance, (B) consent to the cure amount, if any, and (C) an acknowledgment that the cure amount is the only amount necessary to cover any and all outstanding defaults under the respective executory contract or unexpired lease to be assumed and an acknowledgment that no other defaults exist under said contract or lease. To the extent that any Objections to the cure amounts are timely Filed and served and such Objections are not resolved among the Debtor, the Reorganized Debtor and the objecting parties, the Bankruptcy Court shall resolve such disputes at a hearing to be held at a date to be determined by the Bankruptcy Court. The resolution of such disputes shall not affect the Debtor's or the Reorganized Debtor's assumption of the contracts or leases that are the subject of such a dispute, but rather shall affect only the "cure" amount the Debtor or the Reorganized Debtor must pay in order to assume such contract or lease. Notwithstanding the immediately preceding sentence, if the Debtor or the Reorganized Debtor, in its sole discretion, determines that the amount asserted to be the necessary "cure" amount would, if ordered by the Bankruptcy Court, make the assumption of the contract or lease imprudent, then the Debtor or the Reorganized Debtor may elect to (1) reject the contract or lease pursuant to Section 6.01 of the Plan, or (2) request an expedited hearing on the resolution of the "cure" dispute, exclude assumption or rejection of the contract or lease from the scope of the Confirmation Order, and retain the right to reject the contract or lease pursuant to Section 6.01 of the Plan pending the outcome of such dispute.

4. *Claims for Rejection Damages.*

Notwithstanding anything in the Claims Bar Date order of the Bankruptcy Court to the contrary, Proofs of Claim for damages allegedly arising from the rejection pursuant to the Plan or the Confirmation Order of any executory contract or any unexpired lease shall be Filed with the Bankruptcy Court and served on counsel for the Debtor or the Reorganized Debtor not later than thirty (30) days after the service of the earlier of: (i) notice of entry of the Confirmation Order or (ii) other notice that the executory contract or unexpired lease has been rejected (including service of an Order of the Bankruptcy Court providing for such rejection). Any holder of a Claim arising from the rejection of any executory contract or any unexpired lease that fails to File such Proof of Claim on or before the date specified in Section 6.04 of the Plan shall be forever barred, estopped and enjoined from asserting such Claims in any manner against the Debtor or the Reorganized Debtor (or Filing Proofs of Claim with respect thereof), or its Property, and the Debtor or the Reorganized Debtor shall be forever discharged from all indebtedness or liability with respect to such Claims, and, if applicable, such Claimholders shall not be permitted to vote on the Plan or to participate in any distribution in this Chapter 11 Case on account of such Claims or to receive further notices regarding such Claims and shall be bound by the terms of the Plan.

5. *Objections to and Treatment of Rejection Claims.*

The Bankruptcy Court will determine any Objections to any Proofs of Claim Filed in accordance with Section 6.04 of the Plan at a hearing to be held on a date that the Bankruptcy Court selects. Any Allowed General Unsecured Claims arising out of the rejection of executory contracts and unexpired leases will, pursuant to section 502(g) of the Bankruptcy Code, be Class 4.3 Claims entitled to treatment pursuant to Section 3.08 of the Plan.

6. *Indemnification Obligations.*

Except for the indemnification obligations of the Debtor (a) to its current and former officers and directors, and (b) under any executory contracts or unexpired leases that the Debtor assumed on or before the Effective Date, any obligations of the Debtor, pursuant to its articles of incorporation or

by-laws, codes of regulation, applicable state law or specific agreement, or any combination of the foregoing to indemnify or reimburse a Person with respect to all present and future actions, suits and proceedings based upon any act or omission related to service with, or for or on behalf of, the Debtor, shall not survive Confirmation of the Plan and shall be discharged in accordance with section 1141 of the Bankruptcy Code, irrespective of whether such indemnification or reimbursement is owed in connection with an event occurring before, on or after the Petition Date.

7. *Assumed Insurance Policies.*

While the Debtor does not believe that the Insurance Policies issued to the Debtor prior to the Petition Date constitute executory contracts, to the extent such Insurance Policies are considered to be executory contracts, then, notwithstanding anything contained in Section 6.01 of the Plan to the contrary, the Plan shall constitute a motion to assume such Insurance Policies (other than those involving any Settling Insurers), and, subject to the occurrence of the Effective Date, the entry of the Confirmation Order shall constitute approval of such assumption pursuant to section 365(a) of the Bankruptcy Code and a finding by the Bankruptcy Court that each such assumption is in the best interest of the Debtor, its Estate, and all parties in interest in the Chapter 11 Case.

8. *Continuation or Termination of Certain Employee Benefits.*

Except for those agreements and plans to be terminated and rejected pursuant to section 365 of the Bankruptcy Code, each of the Benefits Plans set forth on Exhibit 3 to the Plan are treated as executory contracts under the Plan and shall, on the Effective Date, be assumed by the Reorganized Debtor pursuant to sections 365(a), 365(f) and 1123(b)(2) of the Bankruptcy Code.

9. *Retiree Benefits.*

Pursuant to section 1129(a)(13) of the Bankruptcy Code, all of the Debtor's retiree benefits within the meaning of section 1114 of the Bankruptcy Code (other than the so-called Reusch retiree benefits) shall, on the Effective Date, be assumed by the Reorganized Debtor pursuant to sections 365(a), 365(f) and 1123(b)(2) of the Bankruptcy Code. On and after the Effective Date, the Reorganized Debtor shall continue to pay all such retiree benefits at the level established in accordance with section 1114 of the Bankruptcy Code for the duration of the period for which the Debtor had obligated itself to provide such benefits; provided, however, that the rights of retirees shall be subject to modification or termination as provided by the terms of the existing Benefits Plans, the terms of any Collective Bargaining Agreements or consistent with applicable law. The Benefits Plans to be assumed by the Reorganized Debtor are set forth on Exhibit 3 to the Plan.

10. *Collective Bargaining Agreements.*

On and after the Effective Date, each of the Collective Bargaining Agreements, identified on Exhibit 4 attached hereto, is treated as an executory contract under the Plan and shall, on the Effective Date, be assumed by the Reorganized Debtor pursuant to section 365(a), section 365(f), section 1113 and section 1123(b)(2) of the Bankruptcy Code.

11. Met-Coil Pension Plan.

The Reorganized Debtor will remain the plan sponsor of the Met-Coil Pension Plans and will bear responsibility for and will fund the Met-Coil Pension Plans in accordance with the minimum funding standards pursuant to ERISA and the Tax Code and regulations thereunder, will pay all required PBGC insurance premiums that come due after the Effective Date, and will comply with all requirements of the Met-Coil Pension Plans and applicable law. On and after the Effective Date, the Reorganized Debtor will retain the right to amend, modify or terminate the Met-Coil Pension Plans in accordance with applicable law and the governing documents. No provision of or proceeding within the Chapter 11 Case, the Plan or the Confirmation Order, shall in any way be construed as discharging, releasing or relieving the Debtor, the Reorganized Debtor, the Winning Plan Sponsor, the Mestek Affiliates or any party in any capacity from any liability with respect to the Met-Coil Pension Plans under any law, governmental policy or regulatory provision. The PBGC and the Met-Coil Pension Plans shall not be enjoined or precluded from enforcing such liability by any of the provisions of the Plan or Confirmation Order.

G. Means for Implementing the Plan.

1. Alternative Restructuring Transaction.

In order to ensure that the Debtor is receiving fair and reasonably equivalent value under the Plan with regard to the Restructuring Transaction, the Debtor sought an order of the Court setting forth procedures for the solicitation of higher or better Alternative Plan Proposal. Through the competitive bidding process set forth in the Sale Procedures Order, the Debtor believes that it can determine whether the Restructuring Transaction Consideration that Mestek has offered (as generally described in Article II.A. above) constitutes the highest and best value to the Debtor in exchange for the New Common Stock, the proceeds of the unsettled Claims arising from the Insurance Policies for TCE Claims after the Confirmation Date, and the Contribution Actions.

2. Authorization to Effect the Restructuring Transaction or the Alternative Restructuring Transaction.

The entry of the Confirmation Order shall constitute authorization for the Debtor to take or cause to be taken all corporate or other actions necessary or appropriate to consummate and implement the Restructuring Transaction or the Alternative Restructuring Transaction and the provisions of the Plan prior to, on and after the Effective Date, and all such actions taken or caused to be taken will be deemed to have been authorized and approved by the Bankruptcy Court. All such actions will be deemed to have occurred and will be in effect from and after the Effective Date pursuant to applicable non-bankruptcy law and the Bankruptcy Code, without any requirement of further action by the Debtor, the Reorganized Debtor, or their respective Representatives. On the Effective Date, the Reorganized Debtor shall be authorized and directed to execute and deliver the agreements, documents and instruments contemplated by the Plan in the name and on behalf of the Debtor and to take all necessary and appropriate actions to effectuate the Restructuring Transaction or the Alternative Restructuring Transaction as provided in the Plan.

3. TCE PI Trust.

On the Effective Date, the Winning Plan Sponsor shall transfer to the Reorganized Debtor, which the Reorganized Debtor shall immediately deliver to the TCE PI Trust, such Cash as is

required by the TCE PI Trust Funding Agreement to be paid for the TCE PI Trust's assumption of the TCE PI Trust Claims on the Effective Date. All Settled TCE PI Trust Claims shall be paid within five (5) Business Days after the Effective Date. The Winning Plan Sponsor shall also provide collateral to the TCE PI Trust, as required by the TCE PI Trust Funding Agreement, on the Effective Date. Thereafter, the Winning Plan Sponsor and the Trustee shall comply with the terms of the TCE PI Trust Funding Agreement. For a further discussion of the TCE PI Trust, see Section H below.

4. *Operations Between the Confirmation Date and the Effective Date.*

The Debtor will continue to administer the Estate and its Property, subject to the supervision of the Bankruptcy Court, during the period from the Confirmation Date through and until the Effective Date.

5. *No Successor Liability.*

Except as otherwise expressly provided in the Plan and the Restructuring Transaction, the Debtor, the Reorganized Debtor, the Mestek Affiliates, the Winning Plan Sponsor, the Trustee, the TCE PI Trust and the Future Claimants' Representative will not, pursuant to the Plan or otherwise, assume, agree to perform, pay, or indemnify Creditors or otherwise have any responsibilities for any liabilities or obligations of the Debtor relating to or arising out of the operations of or assets of the Debtor, whether arising prior to, on, or after the Confirmation Date. Neither the Reorganized Debtor, the Mestek Affiliates, the Winning Plan Sponsor, the Trustee, the TCE PI Trust nor the Future Claimants' Representative is, or will be, a successor to the Debtor by reason of any theory of law or equity, and none will have any successor or transferee liability of any kind or character, except that the TCE PI Trust and the Reorganized Debtor, as well as Mestek and Formtek to the extent Mestek is the Winning Plan Sponsor, each shall assume the obligations specified in the Plan and the Confirmation Order. Nothing in this Plan shall be construed to release, nullify or enjoin the enforcement of any liability to the United States, the State of Illinois or the State of Iowa under Environmental Laws that the Reorganized Debtor (or any lessee, buyer, successor or assign thereof) would be subject to as the owner or operator of property after Confirmation.

6. *Preservation of Insurance Actions, Contribution Actions, Avoidance Actions, Actions Against Professionals and other Cause of Actions*

Nothing in the Plan, the Debtor's discharge nor the Protected Parties' discharge, injunction and release, as provided herein, will affect any rights of the Debtor and Reorganized Debtor or liabilities of other parties with respect to the Insurance Actions (other than against a Settling Insurer), the Contribution Actions, Avoidance Actions or other Causes of Action (including causes of actions against Baker & McKenzie, Chuhak and Tecson, Daniel J. Biederman, Esq., Groundwater Services and other professionals and experts (other than Goldberg, Kohn, Bell, Black, Rosenbloom & Moritz, Ltd. and Morris, Nichols, Arsht & Tunnell), who rendered services to Met-Coil before the Petition Date). All such actions are being hereby expressly preserved whether or not any claim or demand was or is commenced, made, or pending prior to the Effective Date and whether or not any claim of any Entity was or is Allowed. Such preserved actions include Met-Coil Systems Corporation et al. v. New Hampshire Insurance Co. (Case No. 01 MR 116), Met-Coil Systems Corporation et al. v. National Union Fire Ins. Co. et al. (Case No. 01 MR 116, on appeal) and Met-Coil v. American National Bank (00 L 011385), to the extent that settlements are not reached with such defendants. On or after the Effective Date, the Debtor and the Reorganized Debtor shall retain any and all rights to such actions, subject to the transfer

and assignment of the Contribution Actions to Mestek or the Winning Plan Sponsor and the payment of insurance proceeds, if any, to Mestek or the Winning Plan Sponsor pursuant to Section 7.10 of the Plan.

7. Transfer of Insurance Proceeds and Assignment of Contribution Actions to Winning Plan Sponsor.

On and after the Effective Date, (a) the Contribution Actions and all proceeds thereof shall be assigned and transferred by the Reorganized Debtor to the Winning Plan Sponsor and (b) all proceeds from unsettled Claims arising from the Insurance Policies for TCE Claims after the Effective Date shall be assigned and transferred by the Reorganized Debtor to the Winning Plan Sponsor. On the Effective Date, the Reorganized Debtor and the Winning Plan Sponsor shall enter into the Insurance Recovery and Contribution Action Agreement. Upon execution of the Insurance Recovery and Contribution Action Agreement, the Winning Plan Sponsor shall (i) have the sole authority and exclusive right to manage, prosecute, settle or dismiss the unsettled Claims for insurance proceeds arising from the Insurance Policies for TCE Claims after the Effective Date, if any, or the Contribution Actions, in its absolute discretion, (ii) shall have the exclusive right to collect the proceeds of any Contribution Actions, (iii) shall have the right to collect from the Reorganized Debtor any and all proceeds of unsettled Claims arising from the Insurance Policies for TCE Claims after the Effective Date, if any; and (iv) shall be solely liable and responsible for all costs and expenses incurred after the Effective Date, if any, relating to or arising out of such insurance actions or such Contribution Actions. Insurance proceeds derived from unsettled Claims arising from the Insurance Policies for TCE Claims after the Effective Date, if any, paid by any of the insurance companies to the Reorganized Debtor shall be deposited into an escrow account for the benefit of the Winning Plan Sponsor, and the Winning Plan Sponsor shall have a first priority lien on these proceeds, which shall be paid in total to the Winning Plan Sponsor within ten (10) days of receipt.

H. The TCE PI Trust.

On the Effective Date, the TCE PI Trust will be created and established in accordance with the TCE PI Trust Agreement and the Plan. The TCE PI Trust shall be a "qualified settlement fund" within the meaning of section 468B of the Tax Code and the regulations issued pursuant thereto. The purpose of the TCE PI Trust shall be to, among other things, (1) direct the liquidation, resolution, payment, and satisfaction of TCE PI Trust Claims in accordance with the Plan, the TCE PI Trust Distribution Procedures, and the Confirmation Order; and (2) preserve, hold, manage, and maximize the TCE PI Trust Assets for use in paying and satisfying Allowed TCE PI Trust Claims. The TCE PI Trust Distribution Procedures shall provide for the allowance and payment or disallowance of TCE PI Trust Claims.

1. Receipt and Vesting of Trust Assets in the TCE PI Trust.

Except as provided in the Plan, pursuant to sections 1141(b) and (c) and section 1123(b)(3) of the Bankruptcy Code, on the Effective Date, the TCE PI Trust Assets will be transferred to and automatically vest in the TCE PI Trust, including such funds as are necessary to pay Settled TCE PI Trust Claims. Any such transfers shall be free and clear of all Liens, Claims, rights of setoff, security interests, pledges, encumbrances, adverse rights or interests, covenants, charges, debts and contractually imposed restrictions, and all such Liens, Claims, rights of setoff, security interests, pledges, encumbrances, adverse rights or interests, covenants, charges, debts and contractually imposed restrictions, will be extinguished except as otherwise provided in the TCE PI Trust and the Plan;

provided, however, that to the extent that certain TCE PI Trust Assets, because of their nature or because they will accrue subsequent to the Effective Date, cannot be transferred to, vested in, and assumed by the TCE PI Trust on the Effective Date, such TCE PI Trust Assets shall be transferred to, vested in, and assumed by the TCE PI Trust as soon as practicable after the Effective Date. The transfer and vesting of all Causes of Action with respect to TCE PI Trust Claims will be subject to any attorney-client privilege, work-product privilege or other privilege or immunity attaching to any documents or communications (whether written or oral). Nothing in this Plan shall be construed to release, nullify or enjoin the enforcement of any liability to the United States, the State of Illinois or the State of Iowa under Environmental Laws that the Reorganized Debtor (or any lessee, buyer, successor or assign thereof) would be subject to as the owner or operator of property after Confirmation.

2. Assumption of Certain Liabilities by the TCE PI Trust.

In consideration of the transfer of the TCE PI Trust Assets to the TCE PI Trust in accordance with Section 8.02 of the Plan, including, without limitation, the authority to resolve all TCE PI Trust Claims in accordance with the TCE PI Trust Agreement and the TCE PI Trust Distribution Procedures, and in furtherance of the purposes of the TCE PI Trust and the Plan, the TCE PI Trust will assume all liability and responsibility for all TCE PI Trust Claims, and the Protected Parties will have no further financial or other responsibility or liability therefore subject to the TCE PI Trust Funding Agreement.

3. General Description of the TCE PI Trust⁶

The TCE PI Trust will be established pursuant to the TCE PI Trust Agreement. Specifically, on the Effective Date or as soon thereafter as is practicable, the TCE PI Trust will receive the first installment of the TCE PI Trust Assets plus amounts necessary to pay the Settled TCE PI Trust Claims. Thereafter, the parties funding the TCE PI Trust will deliver the TCE PI Trust Assets and such amounts necessary to pay the Settled TCE PI Trust Claims to the TCE PI Trust pursuant to the schedule described in the TCE PI Trust Funding Agreement. The purpose of the TCE PI Trust is to assume the liabilities for all TCE PI Trust Claims, and to use the TCE PI Trust Assets to pay the holders of all TCE PI Trust Claims in accordance with this TCE PI Trust Agreement and the TCE PI Trust Distribution Procedures in such a way that holders of TCE PI Trust Claims are treated fairly, equitably, and reasonably in light of the merits of each claim and the assets available to satisfy such claims.

The TCE PI Trust Agreement provides for the appointment of a Trustee. The initial Trustee will be selected jointly by the Debtor, Mestek and the Future Claimants' Representative and will be identified to the Court and interested parties prior to the Confirmation Hearing. The Trustee will serve an initial term of three (3) years from the effective date of the TCE PI Trust Agreement, and thereafter each term of service will be five (5) years. The Trustee will serve until the end of the Trustee's term, his or her death, resignation or removal, or the termination of the TCE PI Trust. The Trustee will be entitled to receive annual compensation for his or her service, which compensation will be disclosed to the Bankruptcy Court prior to the Confirmation Hearing, plus out-of-pocket costs and expenses.

⁶ This section provides a general description of the TCE PI Trust and the TCE PI Trust Agreement, a copy of which is attached to the Plan as Exhibit 6. As this is only a summary of the TCE PI Trust Agreement, this section is subject to, and qualified in its entirety by reference to, the full text of the TCE PI Trust Agreement.

The TCE PI Trust Agreement provides for the appointment of a Future Claimants' Representative (as defined in the TCE PI Trust Agreement) who will serve in a fiduciary capacity, representing the interests of the holders of Future TCE Demands for the purpose of protecting the rights of such persons. The initial Future Claimants' Representative will be the same Future Claimants' Representative appointed to this bankruptcy case, Eric D. Green, Esquire. The Future Claimants' Representative will serve until his or her death, resignation or removal, or the termination of the TCE PI Trust. The Trustee is required to consult with the Future Claimants' Representative on the general implementation and administration of the TCE PI Trust and the TCE PI Trust Distribution Procedures, and on various other matters required by the TCE PI Trust Agreement. The Future Claimants' Representative will be entitled to receive compensation from the TCE PI Trust in the form of payment at the Future Claimants' Representative's normal hourly rate for services performed and will be reimbursed by the TCE PI Trust for all reasonable out-of-pocket costs and expenses incurred by the Future Claimants' Representative in connection with the performance of his or her duties hereunder.

The injunction, release and discharge provisions of Section 7.03(a) and (b) of the Plan and Section 12.01 of the Plan solely with respect to Future TCE Demands shall immediately terminate after the first to occur of the following events solely as to the Reorganized Debtor, the Mestek Affiliates and the Winning Plan Sponsor:

- the later of (a) the 45th anniversary after the Effective Date of the Plan or (b) such later date as may be determined by the Trustee; provided, however, that in the event that the Trustee elects to continue the TCE PI Trust after 45th anniversary of the Effective Date, the Protected Parties shall continue to have the benefits of the channeling injunction but shall have no further funding obligations; or
- if the Reorganized Debtor, Mestek or the Winning Plan Sponsor fail to make a payment required under the TCE PI Trust Funding Agreement and fail to cure the payment default in thirty (30) days, the Reorganized Debtor, Mestek and the Winning Plan Sponsor shall be in default and the TCE PI Trust shall be entitled to liquidate the collateral and demand payment of any remaining amounts, if any, due to the TCE PI Trust pursuant to the TCE PI Trust Funding Agreement. In the event of such a default, the TCE Channeling Injunction shall terminate solely as to the Reorganized Debtor, the Mestek Affiliates and the Winning Plan Sponsor.
- In the event of termination of the TCE PI Trust for any reason, the previous determinations of the TCE PI Trust (including, but not limited to, claim liquidation, claim rejection, decisions by the Claims Resolution Panel, and arbitration decisions) and the releases delivered by claimants to the TCE PI Trust shall continue to apply to all Protected Parties.

Provided the Reorganized Debtor, Mestek and the Winning Plan Sponsor are not in default of their respective obligations under the TCE PI Trust or the TCE PI Trust Funding Agreement, upon termination of the TCE PI Trust, any funds remaining in the TCE PI Trust will revert to Mestek or the Winning Plan Sponsor.

I. TCE PI Trust Distribution Procedures.⁷

The Trustee will implement and administer the TCE PI Trust Distribution Procedures, which are attached to the Plan as Exhibit 6. The goal of the TCE PI Trust is to treat all holders of TCE PI Trust Claims fairly and equitably. The TCE PI Trust Distribution Procedures further that goal by setting forth procedures for processing and paying TCE PI Trust Claims generally on an impartial, FIFO basis, with the intention of paying all holders of such claims over time as equivalent a share as possible of the value of their claims based on risk that a claimant's currently manifested or potential future personal injury were the result of such claimant's exposure to TCE allegedly released from the Lockformer Site.

1. *The Individual Review Process*

All claimants seeking liquidation of their claims pursuant to the Individual Review Process shall file a claim asserting his or her claim for the Scheduled Disease in the highest Disease Level for which the claim qualifies at the time of filing. All claims shall be deemed to be a claim for the highest Disease Level alleged on the Individual Review Claim Form, and all lower Disease Levels for which the claim or claimant may also qualify at the time of filing or in the future shall be treated as subsumed into the Disease Level asserted by the claimant for processing, release and payment purposes.

The Scheduled Diseases compensable under the Individual Review Process and the corresponding Maximum and Minimum Values and Medical/Exposure Criteria are set forth in the TCE PI Trust Distribution Procedures. The TCE PI Trust will develop a Liquidated Value for each TCE PI Trust Claim by adjusting the value of the TCE PI Trust Claim for the length of exposure to TCE, level of exposure to TCE, and other relevant factors. The Liquidated Value shall be adjusted between the Maximum and Minimum Values based upon the evidence presented in the Individual Review Claim Form.

The TCE PI Trust may also take into consideration all of the factors that affect the severity of damages and potential compensation values within the court system including, but not limited to (i) the degree to which the characteristics of a personal injury claim differ from the presumptive Medical/Exposure Criteria for the Disease Level in question; (ii) the claimant's age, disability, employment status, disruption of household, family or recreational activities, dependencies, special damages, and pain and suffering; and (iii) evidence that the claimant's damages were (or were not) caused by TCE exposure allegedly from the Lockformer Site (for example, alternative causes, such as other exposure to TCE or similar chemicals, and the strength of documentation of injuries). Although the majority of claims will be valued between the Maximum and Minimum Values, the Trustee shall have the discretion to assign a Liquidated Value below the Minimum Value as a result of any of the above factors.

2. *Exposure Payment Process*

The Exposure Payment Process provides claimants who have been exposed to TCE allegedly originating from the Lockformer Site, but have not been diagnosed with a Scheduled Disease

⁷ This section provides a general description of the TCE PI Trust Distribution Procedures which are attached to the TCE PI Trust Agreement, a copy of which is attached to the Plan as Exhibit 6. As this is only a summary of the TCE PI Trust Distribution Procedures, this section is subject to, and qualified in its entirety by reference to, the full text of the TCE PI Trust Distribution Procedures. In this section only, capitalized terms used but not defined shall have the meanings given them in the TCE PI Trust Distribution Procedures, a copy of which is attached to the Plan as Exhibit 6.

("Exposure-Only Claimants"), with a substantially less burdensome process for pursuing Exposure-Only Claims than does the Individual Review Process. The Exposure Payment Process allows claimants to elect a single, cash payment that will be paid rapidly and that requires minimal documentation for pursuing claims. The presumptive Exposure Criteria and the Exposure Values for purposes of payments through this process are set forth in the TCE PI Trust Distribution Procedures.

3. Claims Liquidation Procedures

TCE PI Trust Claims generally will be processed based on their place in the FIFO Processing Queue. The TCE PI Trust will take all reasonable steps to resolve TCE PI Trust Claims as efficiently and expeditiously as possible at each stage of claims processing and arbitration. For TCE PI Trust Claims not previously liquidated by settlement, the TCE PI Trust will liquidate TCE PI Trust Claims that meet the presumptive Medical/Exposure Criteria for the Individual Review Process or the Exposure Criteria for the Exposure Payment Process.

4. Payment Percentage

The TCE PI Trust shall estimate or model the amount of cash flow anticipated to be necessary over its entire life to ensure that funds will be available to satisfy all Future TCE Demands in a substantially similar manner. At the discretion of the Trustee, in the event that the TCE PI Trust Assets are not sufficient to cover the anticipated full value of the claims projected to be received, the Trustee may develop and institute a process for reducing the liquidated value of TCE PI Trust Claims (the "Payment Percentage"), whereby a claimant will receive a pro-rata share of the Liquidated Value of their TCE PI Trust Claim after it is determined pursuant to the procedures under the Individual Review Process, arbitration, or litigation in the court system. The Payment Percentage shall not apply to liquidated TCE PI Trust Claims.

If instituted, the Payment Percentage may be adjusted upwards or downwards from time to time by the Trustee, after consultation with the Future Claimants' Representative, to reflect then-current estimates of the TCE PI Trust Assets and its liabilities. The Trustee must base his or her determination of the Payment Percentage on current estimates of the number, types, and values of present and anticipated future TCE PI Trust Claims, the value of the assets then available to the TCE PI Trust for their payment, all anticipated administrative and legal expenses, and any other material matters that are reasonably likely to affect the sufficiency of funds to pay a comparable percentage of full liquidated value to all holders of TCE PI Trust Claims.

J. The TCE Channeling Injunction.

THE PLAN PROVIDES FOR THE ISSUANCE OF THE TCE CHANNELING INJUNCTION WHICH, IF ENTERED, WILL ENJOIN ALL HOLDERS OF TCE PI TRUST CLAIMS FROM SEEKING FURTHER RECOVERY ON ACCOUNT OF THEIR CLAIMS FROM THE PROTECTED PARTIES.

An integral aspect of the Plan – which, through the Restructuring Transaction, will facilitate the prompt emergence of Met-Coil from its Chapter 11 Case by, among other things, assisting Met-Coil to monetize Cash distributions under the Plan – provides for the implementation and issuance of the TCE Channeling Injunction. Receiving the benefits of the TCE Channeling Injunction under the Plan are the Protected Parties, namely Met-Coil, the Mestek Affiliates (see Exhibit 7 to the Plan), Travelers, AIG (as

defined in IX.A.3.), OneBeacon (as defined in IX.A.3.), ACE (as defined in IX.A.3.), the Future Claimants' Representative and their respective Representatives. The TCE Channeling Injunction will protect the TCE PI Trust, preserve the TCE PI Trust Assets and protect the Protected Parties that have contributed substantial value in this Chapter 11 Case. The TCE Channeling Injunction is necessary to the Plan in order to obtain the funds with which to fund the Plan and the TCE PI Trust. The TCE Channeling Injunction is therefore appropriate under section 1123(b)(6). The Bankruptcy Court will issue the TCE Channeling Injunction pursuant to its equitable jurisdiction and power under section 105(a) of the Bankruptcy Code to issue orders that are necessary and appropriate. It is a condition to Confirmation of the Plan that the Bankruptcy Court approve the TCE Channeling Injunction as fair and equitable.

There is inherent uncertainty regarding the Debtor's total liabilities to TCE PI Trust Claimholders and the total value of the TCE PI Trust Assets available to pay Allowed TCE PI Trust Claims. Consequently, there is inherent uncertainty as to whether similar amounts can be paid in respect of all similar present and future Allowed TCE PI Trust Claims. Accordingly, subject to the terms of the TCE PI Trust Distribution Procedures, the Trustee will have the power to alter the timing, method, and sequencing of payments to Allowed TCE PI Trust Claimholders except the Settled TCE PI Trust Claims. In order to exercise these powers, the Trustee will need to make determinations and predictions about the amount and timing of the receipt of TCE PI Trust Assets, as well as determinations and predictions about the amount and timing of payment of, and cost of processing, TCE PI Trust Claims. When making these determinations, the Trustee shall recognize that both present and future claimants bear a risk that the determinations will be incorrect, either too low or too high. In making these determinations, the TCE Trustee shall not prefer either present or future claimants by giving either group greater protection from such risks. Rather, the Trustee shall make determinations based on their best estimates of total TCE PI Trust Assets, TCE PI Trust Claims and related matters.

The Plan provides for the implementation and issuance of the TCE Channeling Injunction as follows:

1. *Release of Protected Parties.*

Except as otherwise expressly provided in the Plan or the Confirmation Order, all Persons who have held, hold, or may hold Released Claims whether known or unknown, individually or collectively, reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured, that have been asserted, could have been asserted in the Chapter 11 Case or are asserted in the future, shall, on the Effective Date, be deemed to have forever waived and released such Released Claims, whether based upon tort, contract, events giving rise to the Released Claims or otherwise, either directly or derivatively through the Protected Parties, that they heretofore, now or hereafter possess or may possess against any Protected Party in each case based upon or in any manner arising from or related to the Released Claims. The release under this Section 7.03(a) of the Plan will not affect contribution, indemnity, subrogation, or other claims of the Debtor, the Reorganized Debtor or any Mestek Affiliate against non-Settling Insurers or Contribution Third-Party Defendants. Except as otherwise expressly provided in this Plan or the Confirmation Order, the Release under this Section 7.03(a) shall further operate, as between all Protected Parties, as a mutual release of all TCE PI Trust Claims.

2. *The TCE Channeling Injunction.*

In order to supplement, where necessary, the injunctive effect of the discharge both provided by sections 1141 and 524 of the Bankruptcy Code and as described in Article XII of the Plan, and pursuant to the exercise of the equitable jurisdiction and power of the Bankruptcy Court under sections 1123(b)(6) and 105(a) of the Bankruptcy Code or otherwise in order to preserve and promote the settlements contemplated by and provided for in the Restructuring Transaction (or the Alternative Restructuring Transaction, if Mestek is not the Winning Plan Sponsor) and the Plan, and in order to protect the TCE PI Trust and to preserve the TCE PI Trust Assets the Confirmation Order will provide for the following injunction to take effect as of the Effective Date and terminate only as to the Reorganized Debtor, the Mestek Affiliates and the Winning Plan Sponsor, as applicable, as of the 45th anniversary of the Effective Date:

(a) *Terms.* Any Entity, including the TCE PI Trust, which has held or asserted, which holds or asserts, or which may in the future hold or assert a Third-Party Claim or a Direct Action, or contribution, allocation, subrogation, indemnity or similar claims based on or relating to any such Third-Party Claim or Direct Action against a Protected Party (including, but not limited to, any TCE PI Trust Claim, or any Claim or demand for or respecting any Trust Expenses) shall be permanently stayed, restrained and enjoined from taking any action against any Protected Party for the purpose of, directly or indirectly, collecting, recovering, or receiving payments, satisfaction, or recovery with respect to, relating to, arising out of, or in any way connected with any Third-Party Claim or Direct Action or claim for contribution, allocation, subrogation, indemnity or similar claim, either directly or derivatively through one of the Protected Parties, based on or relating to a Third-Party Claim or Direct Action, whenever and wherever arising or asserted (including, but not limited to, all Claims in the nature of or sounding in tort, contract, warranty, or any other theory of law, equity, or admiralty, whether by common law or statute), all of which will be channeled to the TCE PI Trust for resolution as set forth in the TCE PI Trust Distribution Procedures. Without limiting the foregoing, the sole recourse of the holder of a TCE PI Trust Claim on account of such TCE PI Trust Claim or of a Person that had or could have asserted a TCE PI Trust Claim shall be to the TCE PI Trust pursuant to the provisions of the TCE Channeling Injunction, the Plan and the TCE PI Trust Agreement, and such holder shall have no right whatsoever at any time to assert its TCE PI Trust Claim against any Protected Party or any property or interest in property of any Protected Party. The actions so enjoined include, but are not limited to:

(1) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action, Direct Action or other proceeding of any kind (including a judicial, arbitration, administrative, or other proceeding) in any forum with respect to any Third-Party Claim, Future TCE Demand, Cause of Action or Interest against or affecting any Protected Party, or any property or interests in property of any Protected Party;

(2) enforcing, levying, attaching (including through any prejudgment attachment), collecting, or otherwise recovering by any means or in any manner, whether directly or indirectly, any judgment, award, decree, or other order against any Protected Party with respect to any Direct Action, Third-Party Claim, Future TCE Demand, Cause of Action or Interest;

(3) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien against the property of any Protected Party with respect to any Direct Action, Third-Party Claim, Future TCE Demand, Cause of Action or Interest;

(4) except as otherwise specifically provided by the Plan, the Restructuring Transaction or the Alternative Restructuring Transaction, asserting or accomplishing any setoff, right of subrogation, right of reimbursement, indemnity, contribution or recoupment of any kind in any manner, directly or indirectly, and in any amount against any liability from any Protected Parties or against the property of any Protected Parties with respect to any Direct Action, Third-Party Claim, Future TCE Demand, Cause of Action or Interest;

(5) proceeding in any manner in any place with regard to any Direct Action or Third-Party Claim, Future TCE Demand, Cause of Action or Interest that is subject to and to be determined and paid by the TCE PI Trust pursuant to and in accordance with the TCE PI Trust Distribution Procedures, except in conformity and compliance therewith; and

(6) asserting any Cause of Action against the Settling Insurers or their respective policies.

The injunction provisions of this Section 7.03(b) shall terminate upon termination of the TCE PI Trust in accordance with the TCE PI Trust Agreement and TCE PI Trust Funding Agreement.

(b) *Reservations.* Notwithstanding anything to the contrary above or Section 12.01(a) of the Plan, the TCE Channeling Injunction provided in Section 7.03(b) of the Plan with respect to a Protected Party and the injunction provided in Section 12.01(a) of the Plan with respect to the Debtor and the Reorganized Debtor will not enjoin, or discharge or release:

(1) the rights of Entities to the treatment accorded them under Articles II and III of the Plan, as applicable, including the rights of Entities with TCE PI Trust Claims to assert such TCE PI Trust Claims in accordance with the TCE PI Trust Distribution Procedures;

(2) the rights of Entities to assert any Claim, debt, obligation, or liability for payment of Trust Expenses against the TCE PI Trust;

(3) the prosecution of the Contribution Actions or the assertion of any Claims against Non-Settling Insurers by the Debtor or the Reorganized Debtor and the Winning Plan Sponsor;

(4) the prosecution by any Person of any Claims against Honeywell related to the release of TCE at the Lockformer Site, other than as released pursuant to the Honeywell Settlement Agreement;

(5) the rights of the Debtor, any Mestek Affiliate or the Winning Plan Sponsor to prosecute any Cause of Action against an insurance company (other than a Settling Insurer) or a Contribution Third-Party Defendant that was pending in a court of competent jurisdiction prior to the Effective Date, and that has not been stayed or enjoined by an order of such court as of such date;

(6) the rights of the Reorganized Debtor and Mestek to assign a cause of action against an insurance company (other than a Settling Insurer) or a Contribution Third-Party Defendant to the TCE PI Trust for the TCE PI Trust to assert any Claim, debt, obligation or liability for payment against such insurance company (other than a Settling Insurer) or a Contribution Third-Party Defendant;

(7) the rights of the Debtor, the Reorganized Debtor or Mestek as an insured, subject to and in accordance with the terms of the Restructuring Transaction, to assert any Claim, debt, obligation, or liability for payment against an insurance company (other than a Settling Insurer) or a Contribution Third-Party Defendant;

(8) the obligation of the Debtor and the Reorganized Debtor to remediate the Lockformer Site and perform and/or pay the Hook-Ups in accordance with Section 7.17 of the Plan;

(9) the rights of the TCE PI Trust to prosecute any TCE PI Trust Claims pursuant to the TCE PI Trust Distribution Procedures; and

(10) the right of any Person to bring a TCE Property Damage Claim against a Protected Party.

3. *Modifications.*

For the duration of the Winning Plan Sponsor's contributions through the Reorganized Debtor to the TCE PI Trust as provided in the TCE PI Trust Agreement and the TCE PI Trust Funding Documents, there can be no modifications or reopening of the TCE Channeling Injunction, which shall be a permanent injunction, without the written consent of the Winning Plan Sponsor, which consent may not be unreasonably withheld. To the extent any such modification or reopening of the TCE Channeling Injunction occurs without the Winning Plan Sponsor's written consent, the Winning Plan Sponsor's obligations under the TCE PI Trust Agreement, at its option, may immediately terminate. The defense of any such challenge to the TCE Channeling Injunction shall be governed by the TCE PI Trust Agreement and the TCE PI Trust Funding Agreement.

(c) *Reservation of Rights.*

Notwithstanding any other provision of the Plan to the contrary, the satisfaction, release and discharge, and the injunctions set forth in Sections 7.03 and 12.01 of the Plan, shall not serve to satisfy, discharge, waive, release, or enjoin any Claim, right, or Cause of Action that (A) the Debtor, the Reorganized Debtor, the Protected Parties or any other Entity, as the case may be, has against (i) the TCE PI Trust for payment of TCE PI Trust Claims in accordance with the Plan, (ii) the TCE PI Trust for the payment of Trust Expenses from the TCE PI Trust Distribution Fund, or (iii) the TCE PI Trust, or any

other Person, pursuant to the terms of the Restructuring Transaction; (B) except as set forth in subsection (C) of this Section 7.04, the Debtor, the Reorganized Debtor or the TCE PI Trust may have against any Entity, other than a Settling Insurer or the Protected Parties, in connection with or arising out of or related to a TCE PI Trust Claim; (C) the Debtor or the Reorganized Debtor may have against any insurance company, Contribution Third-Party Defendant or PRP to the extent such Entities are not Settling Insurers; or (D) the Debtor or Reorganized Debtor may have against any Contribution Third-Party Defendant or PRP.

Notwithstanding this reservation of rights, the TCE PI Trust and the Trustee shall not assert any Causes of Action against the Settling Insurers or their respective policies.

K. Retention of Jurisdiction.

1. *Exclusive Jurisdiction.*

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date under Article XIII of the Plan, the Bankruptcy Court shall retain after the Effective Date exclusive jurisdiction of all matters arising out of, arising in or related to, the Chapter 11 Case to the fullest extent permitted by applicable law, including, without limitation, jurisdiction to:

(a) allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Interest (whether Filed before or after the Effective Date and whether or not contingent, Disputed or unliquidated), including the compromise, settlement and resolution of any request for payment of any Administrative Claim or Priority Claim, the resolution of any Objections to the allowance or priority of Claims or Interests and the resolution of any dispute as to the treatment necessary to reinstate a Claim pursuant to the Plan and to hear and determine any other issue presented hereby or arising under the Plan, including during the pendency of any appeal relating to any Objection to such Claim or Interest (to the extent permitted under applicable law);

(b) grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Plan or under sections 330, 331, 503(b), 507(a)(1), 1103, and 1129(a)(4) of the Bankruptcy Code, for periods ending on or before the Effective Date;

(c) hear, determine and adjudicate any and all motions, applications, suits, adversary proceedings, contested matters and other litigated matters pending on, Filed or commenced after the Effective Date that may be commenced by the Reorganized Debtor on behalf of the Debtor thereafter, or to otherwise recover on account of any claim or Cause of Action that the Debtor may have, and all controversies and issues arising from or relating to any of the foregoing;

(d) determine and resolve any matters related to the assumption, assumption and assignment or rejection of any executory contract or unexpired lease to which the Debtor is a party or with respect to which the Debtor may be liable, and to hear, determine and, if necessary, liquidate any Claims arising therefrom including the amount of any cure payments to be paid;

(e) hear, determine and resolve any matters and disputes related to the Restructuring Transaction or the Alternative Restructuring Transaction;

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(f) ensure that all payments due under the Plan and performance of the provisions of the Plan are accomplished as provided in the Plan and resolve any issues or disputes relating to distributions to holders of Allowed Claims pursuant to the provisions of the Plan;

(g) construe, take any action and issue such orders, prior to and following the Confirmation Date and consistent with section 1142 of the Bankruptcy Code, as may be necessary for the enforcement, implementation, execution and consummation of the Plan and all contracts, instruments, releases, indentures and other agreements or documents created in connection with the Plan, including, without limitation, this Disclosure Statement and the Confirmation Order, for the maintenance of the integrity of the Plan and protection of the Reorganized Debtor in accordance with sections 524 and 1141 of the Bankruptcy Code following consummation;

(h) modify, reconcile or cure any defect or omission in the Plan before or after the Effective Date pursuant to section 1127 of the Bankruptcy Code and Section 14.03 of the Plan or modify this Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, this Disclosure Statement or the Confirmation Order, or remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, this Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, this Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan, to the extent authorized by the Bankruptcy Code and the Plan;

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

(j) hear and determine all disputes involving the existence, nature, or scope of the injunctions (including the TCE Channeling Injunction), discharges and releases provided in the Plan or to enforce all orders previously entered by the Bankruptcy Court;

(k) enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;

(l) determine any other matters that may arise in connection with or relating to the Plan, this Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, this Disclosure Statement or the Confirmation Order, except as otherwise provided in the Plan;

(m) determine such other matters and for such other purposes as may be provided in the Confirmation Order;

(n) hear and determine any other matters related to the Plan and not inconsistent with chapter 11 of the Bankruptcy Code;

(o) continue to enforce the automatic stay through the Effective Date and the TCE Channeling Injunction on and after the Effective Date;

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(p) hear and determine (A) disputes arising in connection with the interpretation, implementation or enforcement of the Plan or (B) issues presented or arising under the Plan, including disputes among holders and arising under agreements, documents or instruments executed in connection with the Plan;

(q) enter a Final Order closing the Chapter 11 Case or converting the Chapter 11 Case into a chapter 7 case;

(r) determine and resolve controversies related to the Disbursing Agent;

(s) hear and determine any other matter relating to the Plan;

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

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

Notwithstanding anything to the contrary in Article XIII of the Plan, however, upon the occurrence of the Effective Date and the entry of the Illinois District Court Mejdrech Approval Order, the Illinois District Court shall have exclusive jurisdiction with respect to any disputes or matters that may arise in connection with the Illinois District Court Mejdrech Approval Order, including, without limitation, the amount, timing and manner of distributions of the Mejdrech Settlement Amount to the Mejdrech Class.

2. *Non-Exclusive Jurisdiction.*

Following the Effective Date, the Bankruptcy Court will retain non-exclusive jurisdiction of the Chapter 11 Case to the fullest extent permitted by applicable law, including, without limitation, jurisdiction to:

(a) recover all assets of the Debtor and Property of the Estate, wherever located;

(b) hear and determine any motions or contested matters involving taxes, tax refunds, tax attributes and tax benefits and similar or related matters with respect to the Debtor or the Estate arising prior to the Effective Date or relating to the period of administration of the Chapter 11 Case, including, without limitation, matters concerning federal, state and local taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;

(c) hear any other matter not inconsistent with the Bankruptcy Code; and

(d) determine and resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation, implementation or enforcement of the Plan (and all exhibits to the Plan), the TCE PI Trust or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with this Plan and the indemnification and injunction provisions set forth in and contemplated by the Plan or the Confirmation Order, or any Entity's rights arising under or obligations incurred in connection therewith;

3. *Failure of Bankruptcy Court to Exercise Jurisdiction.*

THE DISCLOSURE STATEMENT WITH RESPECT TO THIS PLAN HAS NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT FOR CIRCULATION TO ALL CREDITORS AND INTERESTHOLDERS OR FOR THE USE IN SOLICITATION OF VOTES

If the Bankruptcy Court abstains from exercising or declines to exercise jurisdiction over any matter arising under, arising in or related to the Debtor, including with respect to the matters set forth in Sections 13.01 and 13.02 of the Plan, Article XIII of the Plan shall not prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such subject matter.

L. Summary of Other Provisions of the Plan.

I. Conditions to Confirmation.

The Plan will not be confirmed unless and until the following conditions have occurred or been duly waived (if waivable) by the Debtor, Mestek and the Winning Plan Sponsor, if applicable, pursuant to Section 11.03 below:

(a) the form and substance of the Confirmation Order shall be satisfactory to the Debtor, Mestek and the Winning Plan Sponsor, if applicable, and will include a finding, determination and ruling that:

(i) each of the Recovery Actions is the exclusive property of the Debtor as debtor in possession pursuant to section 541 of the Bankruptcy Code;

(ii) the TCE Channeling Injunction is to be implemented in connection with the TCE PI Trust in accordance with the Plan, and that such injunction is fair and equitable with respect to the Persons that might subsequently assert Claims against any Protected Party;

(iii) upon the Effective Date, the common stock of the Reorganized Debtor shall vest in the Winning Plan Sponsor or its assignee, and the Winning Plan Sponsor or its assignee will own 100% of the voting shares of the Reorganized Debtor;

(iv) the TCE PI Trust is to use its assets and income to pay TCE PI Trust Claims and the Trust Expenses;

(v) the Debtor is likely to be subject to substantial Future TCE Demands for payment arising out of the same or similar conduct or events that gave rise to the TCE PI Trust Claims, which are addressed by the TCE Channeling Injunction;

(vi) the actual amounts, numbers and timing of Future TCE Demands cannot be determined;

(vii) the pursuit of TCE PI Trust Claims outside the procedures prescribed by the Plan is likely to threaten the Plan's purpose to deal equitably with the TCE PI Trust Claims;

(viii) pursuant to court orders or otherwise, the TCE PI Trust shall operate through mechanisms such as structured, periodic or supplemental payments, pro rata distributions, matrices or periodic reviews of estimates of the numbers and values of TCE PI Trust Claims or other comparable mechanisms, that provide reasonable assurance that the TCE PI Trust shall have value, and be in a financial position to pay, TCE PI Trust Claims that involve similar TCE PI Trust Claims in substantially the same manner;

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(ix) the Bankruptcy Court appointed the Future Claimants' Representative as part of the Chapter 11 Case leading to the issuance of the TCE Channeling Injunction for the purpose of, among other things, protecting the rights of holders of Future TCE Demands;

(x) each of the Recovery Actions against (i) the Illinois Actions Defendants and the Mestek Affiliates and (ii) the other persons or entities as set forth in Section 7.03 of the Plan will be fully settled and released as of the Effective Date;

(xi) with respect to any TCE PI Claim that is Allowed by the TCE PI Trust in accordance with the TCE PI Trust Distribution Procedures, such allowance shall establish the amount of legal liability against the TCE PI Trust in the amount of the liquidated value of such TCE PI Trust Claim and such allowance shall have no effect on any duty or obligation of any Settling Insurer under any Insurance Policy;

(xii) the Plan and its exhibits are fair, equitable and a reasonable resolution of the liabilities of the Debtor for TCE PI Trust Claims; and

(xiii) the Debtor is authorized to take all actions necessary or appropriate to implement the Plan, including completion of the transactions contemplated by the Restructuring Transaction and the other transactions contemplated by the Plan, and the implementation and consummation of contracts, instruments, releases and other agreements or documents created in connection with the Plan.

(b) the Plan shall not have been amended, altered or modified from the Plan as filed on June 22, 2004, unless such amendment, alteration or modification has been consented to in accordance with Section 14.03 of the Plan;

(c) all exhibits to the Plan are in form and substance reasonably satisfactory to the Debtor, Mestek and the Winning Plan Sponsor, if applicable;

(d) no litigation has been commenced by the Debtor, any Committee or any Creditor against any of the Debtor, the Mestek Affiliates or any other party to be released pursuant to Section 7.03 of the Plan;

(e) the form of Confirmation Order and exhibits to the Plan, to the extent that the foregoing materially affect the Mejdrech Class, or Schreiber or a Settling Insurer, are in a form and substance satisfactory to the Mejdrech Class, Schreiber and such Settling Insurers; and

(f) the identity of the Trustee shall be disclosed.

2. *Conditions to the Effective Date.*

The Effective Date shall occur only if (a) the Confirmation Order and other orders specified in Section 11.01 of the Plan shall either have become Final Orders or such orders shall not have been vacated, reversed, stayed, enjoined or restrained by order of a court of competent jurisdiction and (b) the following conditions have been satisfied or duly waived pursuant to Section 11.03 of the Plan:

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(a) the Plan shall not have been amended, altered or modified from the Plan as Filed on June 22, 2004, unless such amendment, alteration or modification has been consented to in accordance with Section 14.03 of the Plan;

(b) the Restructuring Documents necessary or appropriate to implement the Plan shall have been executed, delivered and, where applicable, filed with the appropriate Governmental Unit;

(c) the Effective Date has occurred on or before the thirtieth (30th) day after entry of the Confirmation Order;

(d) no litigation has been commenced by the Debtor, any Committee or any Creditor against any of the Illinois Actions Defendants, the Mestek Affiliates or any other party to be released pursuant to Section 7.03 of the Plan;

(e) a Final Order is entered holding that neither Mestek nor Formtek are liable under the Honeywell Indemnity Agreement;

(f) a Final Order shall have been entered approving the Honeywell Settlement Agreement;

(g) the Illinois District Court shall have entered the Illinois District Court Mejdrech Approval Order in form and substance satisfactory to the Mejdrech Class, the Debtor and Mestek and such Order shall be a Final Order;

(h) all Settling Insurers shall have funded their respective settlement amounts;

(i) the Reorganized Debtor or Mestek shall have funded the Mejdrech Settlement Amount and the Schreiber Settlement Amount and such other amounts necessary to fund the Plan, and the Reorganized Debtor and Mestek shall have executed any other documents necessary to effect the funding, including a guaranty;

(j) Final Orders shall have been entered approving the respective settlement agreements with (a) Travelers, (b) New Hampshire Insurance Company, National Union Fire Insurance Company of Pittsburgh, PA and/or other insurance companies affiliated with American International Group, (c) those companies making up OneBeacon Insurance Group, including but not limited to Potomac Insurance Company, now known as OneBeacon Insurance Company, and General Accident Insurance Company, now known as Pennsylvania General Insurance Company and (d) International Insurance Company and Pacific Employers Insurance Company;

(k) entry of a mutually agreeable Consent Decree among the Debtor, Mestek, the AG and Village of Lisle in the AG Action; and

(l) all funds required under the TCE PI Trust Agreement and the TCE PI Trust Funding Agreement and to otherwise pay all Settled TCE PI Trust Claims shall have been deposited into an account that the TCE PI Trust controls.

There are several settlement agreements that have to be approved in order for the Plan to become effective. The Bankruptcy Court will consider all such settlement agreements for approval with the

exception of the settlement with the Mejdrech Class and the AG Action Consent Decree to be entered into among the Debtor, Mestek, the AG Plaintiffs and the Village of Lisle. The Illinois District Court will consider whether to approve the settlement agreement with the Mejdrech Class. The Debtor, Mestek and the Mejdrech Class intend to seek preliminary approval of the settlement agreement from the Illinois District Court prior to the Confirmation Hearing. If such preliminary approval is obtained, final notice of the settlement with the Mejdrech Class should be secured within 30 days after the Confirmation Date. Similarly, the Debtor, Mestek, the AG Plaintiffs and the Village of Lisle are working to finalize the Consent Decree which the parties intend to submit to and have entered by the DuPage County Court before the Confirmation Hearing.

3. *Waiver of Conditions to Consummation.*

The Debtor, Mestek and the Winning Plan Sponsor, if applicable, may waive the conditions to Confirmation in Section 11.01 of the Plan and the conditions to the Effective Date in Section 11.02 of the Plan at any time, in writing, without notice or order of the Bankruptcy Court, or any further action other than proceeding to consummation of the Plan; provided, however, that (a) the conditions set forth in Sections 11.02(viii) and (x) of the Plan may not be waived without the consent of counsel to the Mejdrech Class and the consent of counsel to Schreiber, as applicable, and (b) the condition set forth in Section 11.02(xii) of the Plan may not be waived without the consent of counsel to the Future Claimants' Representative. If the conditions to the Effective Date are not met within 30 days after the Confirmation Date, it is possible that the Mestek Affiliates will not agree to move forward with the Plan. The Debtor cannot guaranty that the Mestek Affiliates will agree to extend this deadline. If this deadline is not met and the Mestek Affiliates do not agree to extend such deadline, the Debtor will be forced to explore other options, including liquidation.

4. *Debtor's Discharge.*

On the Effective Date, except as specifically provided in the Plan or in the Confirmation Order, Confirmation will discharge the Debtor and the Reorganized Debtor from any and all Claims including any Claim, demands, Liens, Causes of Action and Interests that arose from any agreement of the Debtor entered into, or obligation of the Debtor incurred before, the Effective Date, or from any conduct of the Debtor prior to the Effective Date, or that otherwise arose prior to the Effective Date, including, without limitation, all interest, if any, on such debts, whether such interest accrued before or after the Petition Date of a kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code and including, without limitation, any TCE PI Trust Claims, TCE Property Damage Claims, or Third-Party Claims, whether or not (i) a Proof of Claim based on such Claim was Filed or deemed Filed under section 501 of the Bankruptcy Code, or such Claim was listed on the Schedules of the Debtor, (ii) such Claim is or was Allowed under section 502 of the Bankruptcy Code, or (iii) such Claimholder has voted on or accepted the Plan; provided, however, that the foregoing shall not affect the Reorganized Debtor's obligation to remediate the Lockformer Site, or perform and/or pay for the Hook-Ups in accordance with Section 7.17 of the Plan, and no discharge of such obligation is intended by Section 12.01(a) of the Plan.

5. *Debtor's Injunction.*

Except as otherwise expressly provided for in the Plan or the Confirmation Order and to the fullest extent authorized or provided by the Bankruptcy Code, including sections 524 and 1141 thereof, the entry of the Confirmation Order shall, provided that the Effective Date occurs, permanently enjoin all Persons that have held, currently hold or may hold a Claim or other debt or liability that is

subject to the Plan or who have held, currently hold or may hold an Interest that is subject to the Plan from taking any of the following actions in respect of such Claim, debt, liability or Interest: (a) commencing, conducting or continuing in any manner, directly or indirectly, any suit, Cause of Action or other proceeding of any kind against the Debtor or the Reorganized Debtor; (b) enforcing, levying, attaching, collecting or otherwise recovering in any manner or by any means, whether directly or indirectly, any judgment, award, decree or order against the Debtor or the Reorganized Debtor; (c) creating, perfecting or enforcing in any manner directly or indirectly, any Lien or encumbrance of any kind against the Debtor or the Reorganized Debtor; (d) asserting any setoff, offset, right of subrogation or recoupment of any kind, directly or indirectly, against any debt, liability or obligation due to the Debtor or the Reorganized Debtor; and (e) proceeding in any manner in any place whatsoever, including employing any process, that does not conform to or comply with or is inconsistent with the provisions of the Plan; provided, however, that the foregoing shall not affect the Reorganized Debtor's obligation to remediate the Lockformer Site and perform and/or pay for the Hook-Ups, and no injunction against enforcing such obligation is intended by this Section 12.01(b) of the Plan.

6. *Environmental Exception*

Nothing in this Plan shall release, discharge or preclude any Claim of the United States, the State of Illinois or the State of Iowa arising under Environmental Laws that has not arisen as of the Effective Date or any equitable remedies of the United States, the State of Illinois or the State of Iowa arising under Environmental Laws that are not within the definition of Claim as set forth in section 101(5) of the Bankruptcy Code.

7. *Exculpation.*

The Exculpated Persons will not have and will not incur any liability to any Claimholder, Creditor, Interestholder, or other party-in-interest herein or any other Person for any act or omission in connection with or arising out of: (i) the filing, negotiating, prosecuting, administering, formulating, implementing, confirming or consummating the Plan or the Property to be distributed under the Plan; (ii) all activities leading to the promulgation and Confirmation of the Plan, the Disclosure Statement (including any information provided or statements made in the Disclosure Statement or omitted therefrom), or any contract, instrument, release or other agreement or document created in connection with or related to the Plan or the administration of the Debtor or the Chapter 11 Case; (iii) actions taken under the Plan in good faith, including, without limitation, failure to obtain Confirmation of the Plan or to satisfy any condition or conditions, or refusal to waive any condition or conditions precedent to Confirmation or to the occurrence of the Effective Date; (iv) except for liabilities to the USEPA, the State of Illinois or the State of Iowa under Environmental Laws (other than as to the Representatives of the Debtor), the management and operations or activities of the Debtor; (v) the implementation of any of the transactions provided for, or contemplated in, the Plan; (vi) any action taken in connection with either the enforcement of the Debtor's rights against any Entities or the defense of Claims asserted against the Debtor with regard to the Chapter 11 Case; or (vii) the administration of the Plan or the assets and Property to be distributed pursuant to the Plan, except for gross negligence or willful misconduct as finally determined by a Final Order, and the Exculpated Persons are entitled to rely on, and act or refrain from acting on, all information provided by other Exculpated Persons without any duty to investigate the veracity or accuracy of such information.

8. *Discharge of Claims and Interests.*

THE DISCLOSURE STATEMENT WITH RESPECT TO THIS PLAN HAS NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT FOR CIRCULATION TO ALL CREDITORS AND INTERESTHOLDERS OR FOR THE USE IN SOLICITATION OF VOTES

No Claimholder or Interestholder of the Debtor may, on account of such Claim or Interest, seek or receive any payment or other distribution from, or seek recourse against, the Debtor, the Reorganized Debtor, the Protected Parties, the TCE PI Trust or their respective properties or any assets previously distributed or to be distributed on account of any Allowed Claim except as otherwise provided in the Plan.

M. Miscellaneous Provisions.

1. *Binding Effect of Plan.*

The provisions of the Plan shall be binding upon and inure to the benefit of the Debtor, the Estate, the Reorganized Debtor, the Mestek Affiliates, the Winning Plan Sponsor, the TCE PI Trust, the Trustee, the Future Claimants' Representative and any Claimholder or Interestholder treated herein or any Entity named or referred to in the Plan and each of their respective Representatives, and, to the fullest extent permitted under the Bankruptcy Code and other applicable law, each other Person affected by the Plan.

2. *Withdrawal of Revocation of Plan.*

The Debtor and Mestek reserve the right, at any time prior to the substantial consummation (as that term is defined in section 1101(2) of the Bankruptcy Code) of the Plan, to revoke or withdraw the Plan. If the Plan is revoked or withdrawn or if the Confirmation Date does not occur, the Plan will be null and void and have no force and effect. In such event, nothing contained in the Plan shall be deemed to constitute a waiver or release of any Claim by or against the Debtor or any other Person or to prejudice in any manner the rights of the Debtor, the Reorganized Debtor or any Entity in any further proceedings involving the Debtor.

3. *Modification of the Plan.*

The Debtor and Mestek may alter, amend or modify the Plan under section 1127 of the Bankruptcy Code or as otherwise permitted at any time prior to the Effective Date. After the Confirmation Date and prior to the substantial consummation of the Plan, and in accordance with the provisions of section 1127(b) of the Bankruptcy Code and the Bankruptcy Rules, the Debtor, Mestek and any party in interest may, so long as the treatment of Claimholders, Interestholders or holders of TCE PI Trust Claims under the Plan is not adversely affected, institute proceedings in the Bankruptcy Court to remedy any defect or omission or to reconcile any inconsistencies in the Plan, this Disclosure Statement or the Confirmation Order and any other matters as may be necessary to carry out the purposes and effects of the Plan; provided, however, that prior notice of such proceedings shall be served in accordance with Bankruptcy Rule 2002.

4. *Governing Law.*

Except to the extent that the Bankruptcy Code or Bankruptcy Rules or other federal laws are applicable, and subject to the provisions of any contract, instrument, release, or other agreement or document entered into in connection with the plan including, but not limited to the TCE PI Trust Agreement, the TCE PI Trust Documents and the Restructuring Documents, the construction, implementation and enforcement of the Plan and all rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws of the state of Delaware, without

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giving effect to conflicts-of-law principles which would apply the law of a jurisdiction other than the state of Delaware or the United States of America.

5. *Payment of Statutory Fees.*

All statutory fee Claims of the United States Trustee, as determined, if necessary, by the Bankruptcy Court at the hearing pursuant to section 1128 of the Bankruptcy Code, shall be paid on or before the Effective Date.

6. *Waiver of Automatic Stay to Enforce Judgment.*

The Debtor and Mestek may request that the Confirmation Order include (i) a finding that Federal Rule of Civil Procedure 62(a), Bankruptcy Rule 7062 and Bankruptcy Rule 3020(e) will not apply to the Confirmation Order and (ii) authorization for the Debtor to consummate the Plan immediately after entry of the Confirmation Order.

VIII. CONFIRMATION OF THE PLAN

A. Consensual Plan Under Section 1129(a).

At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan only if all of the requirements of section 1129(a) of the Bankruptcy Code are met. Specifically, section 1129(a) of the Bankruptcy Code provides:

(a) The court shall confirm a plan only if all of the following requirements are met:

- (1) The plan complies with the applicable provisions of this title.
- (2) The proponent of the plan complies with the applicable provisions of this title.
- (3) The plan has been proposed in good faith and not by any means forbidden by law.

(4) Any payment made or to be made by the proponent, by the debtor, or by a person issuing securities or acquiring property under the plan, for services or for costs and expenses in or in connection with the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of, the court as reasonable.

(5)(A)(i) The proponent of the plan has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor, or a successor to the debtor under the plan; and

(ii) the appointment to, or continuance in, such office of such individual, is consistent with the interests of creditors and equity security holders and with public policy; and

(B) the proponent of the plan has disclosed the identity of any insider that will be employed or retained by the reorganized debtor, and the nature of any compensation for such insider.

(6) Any governmental regulatory commission with jurisdiction, after confirmation of the plan, over the rates of the debtor has approved any rate change provided for in the plan, or such rate change is expressly conditioned on such approval.

(7) With respect to each impaired class of claims or interests-

(A) each holder of a claim or interest of such class-

(i) has accepted the plan; or

(ii) will receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would so receive or retain if the debtor were liquidated under chapter 7 of this title on such date; or

(B) if section 1111(b)(2) of this title applies to the claims of such class, each holder of a claim of such class will receive or retain under the plan on account of such claim property of a value, as of the effective date of the plan, that is not less than the value of such holder's interest in the estate's interest in the property that secures such claims.

(8) With respect to each class of claims or interests-

(A) such class has accepted the plan; or

(B) such class is not impaired under the plan.

(9) Except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides that-

(A) with respect to a claim of a kind specified in section 507(a)(1) or 507(a)(2) of this title, on the effective date of the plan, the holder of such claim will receive on account of such claim cash equal to the allowed amount of such claim;

(B) with respect to a class of claims of a kind specified in section 507(a)(3), 507(a)(4), 507(a)(5), 507(a)(6), or 507(a)(7) of this title, each holder of a claim of such class will receive-

(i) if such class has accepted the plan, deferred cash payments of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or

(ii) if such class has not accepted the plan, cash on the effective date of the plan equal to the allowed amount of such claim; and

(C) with respect to a claim of a kind specified in section 507(a)(8) of this title, the holder of such claim will receive on account of such claim deferred cash payments, over a period not exceeding six years after the date of assessment of such claim, of a value, as of the effective date of the plan, equal to the allowed amount of such claim.

(10) If a class of claims is impaired under the plan, at least one class of claims that is impaired under the plan has accepted the plan, determined without including any acceptance of the plan by any insider.

(11) Confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

(12) All fees payable under section 1930 of title 28, as determined by the court at the hearing on confirmation of the plan, have been paid or the plan provides for the payment of all such fees on the effective date of the plan.

(13) The plan provides for the continuation after its effective date of payment of all retiree benefits, as that term is defined in section 1114 of this title, at the level established pursuant to subsection (e)(1)(B) or (g) of section 1114 of this title, at any time prior to confirmation of the plan, for the duration of the period the debtor has obligated itself to provide such benefits.

11 U.S.C. § 1129(a).

B. Non-Consensual Confirmation – Cramdown.

The Bankruptcy Code provides for confirmation of the Plan even if it is not accepted by all Impaired Classes, as long as at least one Impaired Class of Claims has accepted it (without counting the acceptances of Insiders). This so-called "cramdown" provision is set forth in section 1129(b) of the Bankruptcy Code. To obtain nonconsensual confirmation of the Plan, it must be requested by the proponent of the Plan. Specifically, section 1129(b) of the Bankruptcy Code provides:

(b)(1) Notwithstanding section 510(a) of this title, if all of the applicable requirements of subsection (a) of this section other than paragraph (8) are met with respect to a plan, the court, on request of the proponent of the plan, shall confirm the plan notwithstanding the requirements of such paragraph if the plan does not discriminate unfairly, and is fair and equitable, with respect to each class of claims or interests that is impaired under, and has not accepted, the plan.

(2) For the purpose of this subsection, the condition that a plan be fair and equitable with respect to a class includes the following requirements:

(A) With respect to a class of secured claims, the plan provides--

(i)(I) that the holders of such claims retain the liens securing such claims, whether the property subject to such liens is retained by the debtor or transferred to another entity, to the extent of the allowed amount of such claims; and

(II) that each holder of a claim of such class receive on account of such claim deferred cash payments totaling at least the allowed amount of such claim, of a value, as of the effective date of the plan, of at least the value of such holder's interest in the estate's interest in such property;

(ii) for the sale, subject to section 363(k) of this title, of any property that is subject to the liens securing such claims, free and clear of such liens, with such liens to

attach to the proceeds of such sale, and the treatment of such liens on proceeds under clause (i) or (iii) of this subparagraph; or

(iii) for the realization by such holders of the indubitable equivalent of such claims.

(B) With respect to a class of unsecured claims-

(i) the plan provides that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or

(ii) the holder of any claim or interest that is junior to the claims of such class will not receive, or retain under the plan on account of such junior claim or interest any property.

(C) With respect to a class of interests-

(i) the plan provides that each holder of an interest of such class receive or retain on account of such interest property of a value, as of the effective date of the plan, equal to the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled, or the value of such interest, or

(ii) the holder of any interest that is junior to the interests of such class will not receive or retain under the plan on account of such junior interest any property.

11 U.S.C. § 1129(b).

1. *The Plan Must Not Discriminate Unfairly.*

As a further condition to approving a cramdown, the Bankruptcy Court must find that the Plan does not "discriminate unfairly" in its treatment of dissenting Classes. A plan of reorganization does not "discriminate unfairly" if the plan does not treat any dissenting impaired class of claims or interests in a manner that is materially less favorable than the treatment afforded to another class with similar legal claims against or interests in the debtor. The Debtor believes that the Plan does not discriminate unfairly as to any Impaired Class of Claims or Interests.

2. *Fair and Equitable Standard.*

With respect to a dissenting Class of unsecured creditors, the "fair and equitable" standard requires, among other things, that the Plan contain one of two elements. It must provide either that each unsecured Creditor in the Class receive or retain property having a value, as of the Effective Date, equal to the Allowed Amount of its Claim, or that no Allowed Claimholder or Interestholder in any junior Class may receive or retain any property on account of such Claims or Interests. The strict requirement as to the allocation of full value to dissenting Classes before junior Classes can receive a distribution is known as the "absolute priority rule."

In addition, the "fair and equitable" standard has also been interpreted to prohibit any Class senior to a dissenting Class from receiving under a plan more than one hundred percent of its Allowed Claims. The Debtor believes the Plan meets all of the requirements of the "fair and equitable standard."

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The Bankruptcy Code defines fair and equitable tests for secured creditors, unsecured creditors and equity holders, as follows:

(a) Secured Creditors. Either (i) each impaired secured creditor retains its liens securing its secured claim and receives on account of its secured claim deferred cash payments having a present value equal to the amount of its allowed secured claim, (ii) the property securing the claim is sold free and clear of liens with such liens to attach to the proceeds of the sale and the treatment of such liens on proceeds is provided in clause (i) or (iii) of this subparagraph, or (iii) each impaired secured creditor realizes the "indubitable equivalent" of its allowed secured claim.

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

(c) Interests. Either (i) each holder of an equity interest will receive or retain under the Plan property of a value equal to the greatest amount of the fixed liquidation preference to which such Claimholder is entitled, the fixed redemption price to which such Claimholder is entitled or the value of the interest or (ii) no interestholder that is junior to the nonaccepting class will receive or retain any property under the Plan.

The Debtor believes that the Plan and the treatment of all Classes of Claims and Interests under the Plan satisfy the "fair and equitable" standard for nonconsensual Confirmation of the Plan provided at least one Impaired Class of Claimholders votes to accept the Plan as required by section 1129(a)(10).

3. *Feasibility.*

Section 1129(a)(11) of the Bankruptcy Code requires a finding that Confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor in interest (unless such liquidation or reorganization is proposed in its Plan, which is not the case for the Debtor). For purposes of determining whether its Plan meets this requirement, the Debtor analyzed its ability to meet its obligations under the Plan. As part of this analysis, the Debtor prepared the Projections attached hereto as Exhibit D.⁸ Moreover, Mestek is ready and able to consummate the Restructuring Transaction, the proceeds of which will fund distributions under the Plan. Based upon the Projections and the Restructuring Transaction, the Debtor believes that its reorganization under the Plan will meet the feasibility requirements of section 1129(a)(11) of the Bankruptcy Code.

IX. LIQUIDATION ANALYSIS

This part of the Plan explains the best interests test of section 1129(a)(7) of the Bankruptcy Code. Section 1129(a)(7) of the Bankruptcy Code imposes the best interests of the creditor test, which requires that each member of an impaired class who does not vote to accept the Plan receive a distribution that is not less than the amount it would receive under a chapter 7 liquidation. The Debtor

⁸ For a discussion of the assumption related to the Projections, see Section XI, infra.