

EXHIBIT A
TO
DISCLOSURE STATEMENT WITH RESPECT TO DEBTOR'S PLAN OF
REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

DEBTOR'S PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE
BANKRUPTCY CODE

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: : Chapter 11
: :
AMERICAN BANKNOTE : Case No.: 05-10174 ()
CORPORATION, : :
: :
Debtor. :

**DEBTOR'S PLAN OF REORGANIZATION
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

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EXHIBITS

- Exhibit A:* Amended And Restated By-Laws Of American Banknote Corporation
- Exhibit B:* Amended And Restated Certificate Of Incorporation Of Reorganized American Banknote Corporation
- Exhibit C:* Stock Incentive Plan
- Exhibit D:* Form of New Note
- Exhibit E:* List Of Assumed Executory Contracts And Assumed Unexpired Leases
- Exhibit F:* Exit Financing Agreement
- Exhibit G:* Stockholders' Agreement
- Exhibit H:* Cantor Consulting Agreement

DEBTOR'S PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

The Debtor, American Banknote Corporation, proposes the following Plan of Reorganization, dated January 19, 2005, pursuant to section 1121(a) of the Bankruptcy Code:

SECTION 1. DEFINITIONS AND INTERPRETATIONS

A. Definitions.

The following terms herein shall have the respective meanings defined below:

1.1. *ABN* means American Banknote Corporation, a Delaware corporation and Debtor in this Chapter 11 Case.

1.2. *Ad Hoc Committee* means the pre-Petition Date unofficial committee of certain holders of the Notes and Old Common Stock which is comprised of Highland Capital Management L.P., Bay Harbour 90-1 Ltd., Bay Harbour Partners, Ltd., D Quant Fund LLC, Trophy Hunter Investments, Ltd., Steven Van Dyke, Ann Van Dyke, Lloyd I. Miller, Lloyd I. Miller Pension Plan, Lloyd I Miller IRA, Milfam II, L.P., Milfam LLC, Dail E. Miller IRA, Dorothy Miller, Kimberley S. Miller Trust, Remus Holdings LLC, Castor Investments, L.L.C., Pollux Investments LLC, and Singer Children's Management Trust.

1.3. *Administrative Claim* means any right to payment constituting a cost or expense of administration of the Chapter 11 Case allowed under sections 503(b) and 507(a)(1) of the Bankruptcy Code, including, without limitation, (a) any actual and necessary costs and expenses of preserving the Debtor's estate, (b) any actual and necessary costs and expenses of operating the Debtor's business during the Chapter 11 Case in the ordinary course of business, (c) any indebtedness or obligations incurred or assumed by the Debtor in Possession during the Chapter 11 Case in the ordinary course of business, (d) any allowances of compensation and reimbursement of expenses to the extent allowed by Final Order under section 330 or 503 of the Bankruptcy Code, and (e) any fees or charges assessed against the Debtor's estate under section 1930, title 28, United States Code.

1.4. *Allowed* means, with reference to any Claim or Equity Interest which has been timely filed prior to any applicable bar date or scheduled by the Debtor, (a) any Claim against the Debtor which has been listed by the Debtor in its Schedules as liquidated in amount and not disputed or contingent and for which no contrary proof of claim has been filed, (b) any Claim or Equity Interest allowed hereunder, (c) any Claim or Equity Interest which is not Disputed by the Objection Deadline, (d) any Claim or Equity Interest that is compromised, settled or otherwise resolved pursuant to the authority granted to the Debtor or Reorganized Debtor pursuant to a Final Order of the Bankruptcy Court, (e) any Claim or Equity Interest which, if Disputed, has been Allowed by Final Order or (f) any Claim or Equity Interest which the Reorganized Debtor determines to allow in its sole and absolute discretion; *provided, however*, that any Claim or Equity Interest allowed solely for the purpose of voting to accept or reject the Plan pursuant to an order of Bankruptcy Court shall not be considered "Allowed Claims" or "Allowed Equity Interest" hereunder.

1.5. *Amended By-Laws* means the Amended and Restated By-laws of the Reorganized Debtor, which shall be in substantially the form annexed hereto as Exhibit A and subject to modification by the Debtor prior to the Confirmation Date.

1.6. *Amended Certificate of Incorporation* means the Amended and Restated Certificate of Incorporation of the Reorganized Debtor, which shall be in substantially the form annexed hereto as Exhibit B and subject to modification by the Debtor prior to the Confirmation Date.

1.7. *Ballot* means each of the ballot or master ballot forms distributed with the Disclosure Statement to holders of impaired Claims (or the nominees thereof) entitled to vote under the Plan.

1.8. *Balloting Agent* means MacKenzie Partners, Inc., as agent for the Bankruptcy Court.

1.9. *Bankruptcy Code* means title 11, United States Code, as amended from time to time, as applicable to the Chapter 11 Case.

1.10. *Bankruptcy Court* means the United States Bankruptcy Court for the District of Delaware having jurisdiction over the Chapter 11 Case.

1.11. *Bankruptcy Rules* means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075, title 28, United States Code, as amended from time to time, applicable to the Chapter 11 Case, and any Local Rules of the Bankruptcy Court.

1.12. *Bar Date* means _____, 2005, the deadline for filing all proofs of Claims except (i) Claims of governmental units for which proofs of Claim are filed in accordance with section 502(b)(9) of the Bankruptcy Code, or (ii) such other date(s) as has been granted by Order of the Bankruptcy Court with respect to one or more other holders of Claims.

1.13. *Board of Directors of Reorganized Debtor* means those persons who shall be appointed pursuant to the Confirmation Order as directors of the Reorganized Debtor and whose identity shall be disclosed in the Disclosure Statement or an amendment or supplement to the Disclosure Statement or such other filing as may be made with the Bankruptcy Court.

1.14. *Business Day* means any day other than a Saturday, a Sunday or any other day on which the Bankruptcy Court is closed.

1.15. *Cantor Consulting Agreement* means that agreement between Sheldon Cantor and the Reorganized Debtor which shall be in substantially the form annexed hereto as Exhibit H and subject to modification by the Debtor prior to the Confirmation Date.

1.16. *Cash* means cash equivalents (including personal checks drawn on a bank insured by the Federal Deposit Insurance Corporation, certified checks and money orders) and other readily marketable direct obligations of the United States of America and certificates of deposit issued by banks.

1.17. *Chapter 11 Case* means the case filed by the Debtor with the Bankruptcy Court under Chapter 11 of the Bankruptcy Code (Case No.: ____ ()).

1.18. *Claim* means (a) any right to payment from the Debtor, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured, known or unknown, or (b) any right to an equitable remedy for breach of performance if such breach gives rise to a right of payment from the Debtor, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, known or unknown.

1.19. *Claims Agent* means BMC Group, Inc., as agent for the Bankruptcy Court.

1.20. *Claims Reserve* means that reserve created pursuant to section 8.12 of the Plan.

1.21. *Class* means any group of substantially similar Claims or Equity Interests classified by the Plan pursuant to section 1129(a)(1) of the Bankruptcy Code.

1.22. *Class 3 Distribution* means 7,920,884 shares of the New Issued Common Stock.

1.23. *Class 6 Distribution* means, with respect to each holder of an Allowed Class 6 Claim, Cash equal to the value of any amounts to be paid in the calendar year following the filing of the Plan to the holder of an Allowed Class 6 Claim pursuant to any non-qualified supplemental executive retirement plan that was outstanding as of the filing of the Plan.

1.24. *Class 7 Distribution* means 207,402 shares of New Issued Common Stock plus Cash in an amount equal to \$5,000,000 less the amount of any Cash in the Class 8 Distribution.

1.25. *Class 8 Distribution* means Cash equal to (a) the product of (i) the total number of Old Common Stock held by holders in Class 8 (*De Minimis* Equity Interests); multiplied by (ii) \$2,500,000 divided by the total amount of Old Common Stock held by holders in Class 7 (Equity Interests); plus (b) \$5,000,000 minus the amount derived from the formula set forth in section 1.24(a) multiplied by the quotient of (i) the total number of Old Common Stock held by holders in Class 8 (*De Minimis* Equity Interests); divided by (ii) the total number of Old Common Stock.

1.26. *Collateral* means any property or interest in property of the Debtor's estate subject to a Lien to secure the payment or performance of a Claim which Lien is not subject to avoidance under the Bankruptcy Code.

1.27. *Confirmation Date* means the date on which the Clerk of the Bankruptcy Court enters the Confirmation Order on the docket in this Chapter 11 Case.

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

1.29. *Confirmation Order* means the order of the Bankruptcy Court confirming the Plan.

1.30. *Cure* means the distribution of Cash, or such other property as may be agreed upon by the parties or ordered by the Bankruptcy Court, with respect to the assumption of an executory contract or unexpired lease, pursuant to section 365(b) of the Bankruptcy Code, in an amount equal to all unpaid monetary obligations, without interest, or such other amount as may be agreed upon by the parties under such executory contract or unexpired lease, to the extent such obligations are enforceable under the Bankruptcy Code and applicable non-bankruptcy law.

1.31. *Debtor* means American Banknote Corporation.

1.32. *Debtor in Possession* means the Debtor in its capacity as debtor in possession in this Chapter 11 Case under sections 1107(a) and 1108 of the Bankruptcy Code.

1.33. *De Minimis Equity Holders* means any person holding between one and 500,000 shares of Old Common Stock.

1.34. *DGCL* means the General Corporation Law of the State of Delaware, as amended from time to time.

1.35. *Disbursing Agent* means any entity, including the Debtor or Reorganized Debtor, in its capacity as a disbursing agent under the Plan.

1.36. *Disclosure Statement* means the disclosure document relating to the Plan, including, without limitation, all exhibits and schedules thereto as approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code.

1.37. *Disputed* means, with respect to a Claim or Equity Interest, any such Claim or Equity Interest proof of which was filed with the Bankruptcy Court and (a) which has been or hereafter is listed on the Schedules as unliquidated, disputed or contingent, and which has not been resolved by written agreement of the parties or an order of the Bankruptcy Court, or (b) as to which the Debtor or any other party in interest has interposed a timely objection on or before the Objection Deadline, which objection has not been withdrawn or determined by a Final Order; *provided, however*, that prior to (x) the time an objection has been filed, and (y) the expiration of the Objection Deadline with respect to such Claim or Equity Interest, a Claim or Equity Interest shall be considered a Disputed Claim or Disputed Equity Interest to the extent that the amount of the Claim or Equity Interest specified in a proof of Claim or Equity Interest exceeds the amount of the Claim or Equity Interest scheduled by the Debtor as not disputed, contingent, or unliquidated.

1.38. *Distribution Date* shall mean the Effective Date or as soon thereafter as is practicable.

1.39. *Distribution Record Date* shall be the date five (5) Business Days prior to the Distribution Date.

1.40. *Effective Date* means the first Business Day on which all the conditions precedent to the Effective Date specified in section 11.1 of the Plan shall have been satisfied or waived as provided therein, *provided, however*, that if a stay of the Confirmation Order is in effect, the Effective Date shall be the first Business Day after such stay is no longer in effect.

1.41. *Equity Interest* means the interests of any holder of equity securities of the Debtor represented by any issued and outstanding shares of Old Common Stock.

1.42. *Exchange Act* means the Securities Exchange Act of 1934, as amended.

1.43. *Exit Financing* means the \$16,000,000 that will be provided by the Exit Financing Parties in accordance with the Exit Financing Agreement on the Effective Date of the Plan in exchange for the Exit Financing Securities.

1.44. *Exit Financing Agreement* means the agreement whereby the Exit Financing Parties will provide the Exit Financing to the Reorganized Debtor attached hereto as Exhibit F.

1.45. *Exit Financing Parties* means Lloyd I. Miller, III, Highland Capital Management L.P., Bay Harbour Partners, Ltd. and Pollux Investments LLC.

1.46. *Exit Financing Securities* means 1,871,714 shares of New Issued Common Stock.

1.47. *Final Order* means an order or judgment of the Bankruptcy Court entered by the Clerk of the Bankruptcy Court on the docket in this Chapter 11 Case, which has not been reversed, vacated, or stayed and as to which (a) 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 (b) if an appeal, writ of certiorari, new trial, reargument, or rehearing thereof has been sought, such order or judgment of the Bankruptcy Court 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, *provided, however*, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed relating to such order, shall not cause such order not to be a Final Order.

1.48. *Lien* means any lien, claim, right, interest or charge or encumbrance against or upon or other interest in property, the purpose of which is to secure payment of a debt or performance of an obligation.

1.49. *Miscellaneous Secured Claim* means a Claim, other than a Class 3 (Note Claim) or a Class 4 (Note Convenience Claim), secured by a Lien on Collateral but only to the extent of the value of such Collateral (a) as set forth in the Plan, (b) as agreed to by the holder of

such Claim and the Debtor, or (c) as determined by a Final Order in accordance with section 506(a) of the Bankruptcy Code or, in the event that such Claim is subject to setoff under section 553 of the Bankruptcy Code, to the extent of such setoff. That portion, if any, of any secured claim which exceeds the value of the Collateral securing such claim shall be a Miscellaneous Unsecured Claim unless otherwise provided in the Plan.

1.50. *Miscellaneous Unsecured Claim* means any Claim against the Debtor that is not an Administrative Claim, Priority Tax Claim, Other Priority Claim, Miscellaneous Secured Claim, Note Claim, Note Convenience Claim, or SERP Claim.

1.51. *New Issued Common Stock* means 10,000,000 shares of common stock, par value \$0.001 per share of the Reorganized Debtor, to be issued pursuant to the terms of the Plan and in accordance with the Amended Certificate of Incorporation.

1.52. *New Notes* means those Notes due 2009 substantially in the from annexed hereto as Exhibit D and subject to modification by the Debtor before the Confirmation Date.

1.53. *Notes* means the 10 3/8% Senior Notes due 2005 issued by the Debtor under the Notes Indenture.

1.54. *Note Claim* means any Claim, other than a Note Convenience Class Claim, by a holder of the Notes arising from or under the Notes.

1.55. *Note Convenience Claims* means any Claim arising from or under the Notes equal to or less than \$45,000.

1.56. *Notes Indenture* means that certain Indenture, dated as of May 15, 1992, as modified on May 31, 1994 and October 1, 2002, between the Debtor and the Notes Indenture Trustee relating to the Notes.

1.57. *Notes Indenture Trustee* means HSBC Bank USA as indenture trustee pursuant to the Notes Indenture.

1.58. *Objection Deadline* means the latest to occur of (i) one hundred and eighty (180) days after the Effective Date (or such other date as has been ordered by the Bankruptcy Court), (ii) sixty (60) days after such Claim is deemed timely filed and served on counsel for the Debtor, (iii) with respect to Claims for which timely proofs of Claim or requests for payment pursuant to section 503(b) of the Bankruptcy Code were filed as contingent or unliquidated, thirty (30) days after such Claim becomes a non-contingent, liquidated Claim (whether by the occurrence of the contingency or fixing of the Claim or estimation of the Claim pursuant to section 502(c) of the Bankruptcy Code), or (iv) such other date as the Bankruptcy Court may order.

1.59. *Old Common Stock* means any issued and outstanding common stock of the Debtor as at the Petition Date.

1.60. *Other Equity Interest* means any equity security (as defined in section 101(16) of the Bankruptcy Code) of the Debtor, except Equity Interests and includes, but is not limited to, warrants, options or any right, contractual or otherwise, to acquire any Equity Interest.

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

1.62. *Person* shall have the same meaning as is set forth in section 101(41) of the Bankruptcy Code.

1.63. *Petition Date* means January 19, 2005, the date on which the Debtor commenced the Chapter 11 Case.

1.64. *Plan* means the Plan of Reorganization under Chapter 11 of the Bankruptcy Code dated as of January 19, 2005, including, without limitation, the exhibits and schedules hereto, as the same may be amended or modified from time to time in accordance with the provisions of the Bankruptcy Code and the terms hereof.

1.65. *Priority Tax Claim* means any Claim of a governmental unit of the kind entitled to priority in payment as specified in sections 502(i) and 507(a)(8) of the Bankruptcy Code.

1.66. *Professional* means any professional employed in the Chapter 11 Case pursuant to section 327 or 1103 of the Bankruptcy Code or otherwise and the professionals seeking compensation or reimbursement of expenses in connection with the Chapter 11 Case pursuant to sections 327, 328, 330, 331, 503(b), or 1103 of the Bankruptcy Code.

1.67. *Professional Claims Reserve* means the Cash reserved on the Effective Date in accordance with section 8.3 of the Plan to be held in a segregated account to be used solely for the payment of Professional Fee Claims in accordance with the terms of the Plan.

1.68. *Professional Fee Claims* means a claim of a Professional for compensation or reimbursement of costs and expenses relating to services incurred after the Petition Date and prior to the Effective Date.

1.69. *Ratable Portion* means, with reference to any distribution on account of any Claim or Equity Interest in any Class, a distribution equal in amount to the ratio (expressed as a percentage) that the amount of such Claim or number of shares evidencing such Equity Interest, as applicable, bears to the aggregate amount of Claims or aggregate number of outstanding shares of Equity Interests in the same Class.

1.70. *Reinstated* means with respect to each Allowed Class 2 Miscellaneous Secured Claim, (i) the Debtor or Reorganized Debtor shall Cure any default with respect to such Claim that occurred before or after the Petition Date, (ii) the maturity of such Claim shall be Reinstated as such maturity existed before any such default, (iii) the holder of such Claim shall be compensated for any damages incurred as a result of any reasonable reliance by the holder on

any right to accelerate its Claim, and (iv) the legal, equitable and contractual rights of such holder will not otherwise be altered.

1.71. *Released Parties* means the Debtor, the Reorganized Debtor, the *Ad Hoc* Committee, the Notes Indenture Trustee, the Exit Financing Parties, the Claims Agent, the Balloting Agent and the Disbursing Agent, and their respective present or former members, partners officers, directors, employees, advisors, attorneys, representatives, financial advisors, investment bankers or agents in their capacities as such and any of such parties' successors and assigns.

1.72. *Reorganized Debtor* means American Banknote Corporation as it will be reorganized as of the Effective Date in accordance with the Plan and the Confirmation Order.

1.73. *Schedules* means the schedules of assets and liabilities and the statement of financial affairs filed by the Debtor under section 521 of the Bankruptcy Code, Bankruptcy Rule 1007 and the Official Bankruptcy Forms of the Bankruptcy Rules as such schedules and statements have been or may be supplemented or amended through the Confirmation Date.

1.74. *Secured Claim* means a Claim secured by a Lien on Collateral but only to the extent of the value of such Collateral (i) as set forth in the Plan, (ii) as agreed to by the holder of such Claim and the Debtor, or (iii) as determined by a Final Order in accordance with section 506(a) of the Bankruptcy Code or, in the event that such Claim is subject to setoff under section 553 of the Bankruptcy Code, to the extent of such setoff. That portion, if any, of any secured claim which exceeds the value of the Collateral securing such claim shall be a Miscellaneous Unsecured Claim unless otherwise provided in the Plan.

1.75. *SERP Claims* means the obligations arising from any non-qualified supplemental executive retirement plan of the Debtor that remain outstanding as of the filing of the Plan.

1.76. *Stock Incentive Plan* means the Stock Incentive Plan, which shall be in substantially the form annexed hereto as Exhibit C and subject to modification by the Debtor prior to the Confirmation Date.

1.77. *Stockholders' Agreement* means that certain stockholders' agreement annexed hereto as Exhibit G among the Debtor and the Exit Financing Parties and certain of their affiliates subject to modification by the Debtor prior to the Confirmation Date.

1.78. *Subsequent Record Distribution Date(s)* means five (5) Business Days before any distribution, not including the initial distribution under this Plan.

B. Interpretation, Application Of Definitions And Rules Of Construction.

Unless otherwise specified, all section, schedule, or exhibit references in the Plan are to the respective section in, article of, or schedule or exhibit to, the Plan, as the same may be amended, waived, or modified from time-to-time. 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 in the Plan. A term used herein that is not defined herein shall have the meaning assigned to that term in the Bankruptcy Code. The rules of construction contained in section 102 of the Bankruptcy Code shall apply to the construction of the Plan. The headings in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof.

SECTION 2. PROVISIONS FOR PAYMENT OF ADMINISTRATIVE CLAIMS AND PRIORITY TAX CLAIMS

2.1. *Administrative Claims.* On the Distribution Date, except as otherwise provided herein, each holder of an Allowed Administrative Claim will receive, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Administrative Claim (i) Cash equal to the unpaid portion of such Allowed Administrative Claim or (ii) such other treatment as to which the Debtor and such holder have agreed upon in writing; *provided, however*, that Allowed Administrative Claims with respect to liabilities incurred by the Debtor in the ordinary course of business during the Chapter 11 Case will be paid in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto.

2.2. *Priority Tax Claim.* Each holder of an Allowed Priority Tax Claim will receive, at the sole discretion of the Debtor and in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Priority Tax Claim, in the sole discretion of the Debtor (i) Cash equal to the unpaid portion of such Allowed Priority Tax Claim on the Distribution Date, (ii) deferred Cash payments over a period not exceeding six (6) years after the date of assessment of such Allowed Priority Tax Claim in an aggregate principal amount equal to the amount of such Allowed Priority Tax Claim, plus interest on the unpaid portion thereof, as provided in section 1129(a)(9)(C) of the Bankruptcy Code, or (iii) such other treatment as to which the Debtor and such holder have agreed upon in writing.

SECTION 3. CLASSIFICATION OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTOR.

Class 1 – Other Priority Claims: This Class shall comprise of all Other Priority Claims.

Class 2 – Miscellaneous Secured Claims: This Class shall comprise of all Miscellaneous Secured Claims.

Class 3 – Note Claims: This Class shall comprise of all Note Claims, excluding Note Convenience Claims.

Class 4 – Note Convenience Claims: This Class shall comprise of all Note Convenience Claims.

Class 5 – Miscellaneous Unsecured Claims: This Class shall comprise of all Miscellaneous Unsecured Claims.

Class 6 – SERP Claims: This Class shall comprise of all SERP Claims.

Class 7 – Equity Interests: This Class shall comprise of all Equity Interests, excluding Equity Interests held by *De Minimis* Equity Holders.

Class 8 – De Minimis Equity Holders: This Class shall comprise of all Equity Interests held by *De Minimis* Equity Holders.

Class 9 – Other Equity Interests: This Class shall comprise of all Other Equity Interests.

SECTION 4. PROVISIONS FOR TREATMENT OF CLAIMS AND EQUITY INTERESTS

4.1. *Other Priority Claims (Class 1).* On the Distribution Date, each holder of an Allowed Class 1 Other Priority Claim will receive, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Class 1 Other Priority Claim, in the sole discretion of the Debtor, either (a) Cash equal to the unpaid portion of such Allowed Class 1 Other Priority Claim or (b) such other treatment as to which Debtor and such holder will have agreed upon in writing.

4.2. *Miscellaneous Secured Claims (Class 2).* On the Distribution Date, or as soon thereafter as is practicable, each Allowed Class 2 Miscellaneous Secured Claim will be Reinstated.

4.3. *Note Claims (Class 3).* On the Distribution Date, each holder of an Allowed Class 3 Note Claim will receive, in full satisfaction, settlement, release, and discharge of and in exchange of such Allowed Note Claim its Ratable Portion of the Class 3 Distribution.

4.4. *Note Convenience Claims (Class 4).* On the Distribution Date, each holder of an Allowed Class 4 Note Convenience Claim will receive, in full satisfaction, settlement, release and discharge of and in exchange for such Allowed Note Convenience Claim, at such holders' election: (a) Cash in an amount equal to sixty percent (60%) of such holder's Allowed Class 4 Note Convenience Claim, or (b) New Notes equal to one hundred percent (100%) of the holder's Allowed Class 4 Note Convenience Claim.

If a holder of an Allowed Class 4 Note Convenience Claim fails to make an election in accordance with the foregoing sentence, such holder shall be deemed to have elected to receive the treatment set forth in section 4.4(a) of this Plan.

4.5. *Miscellaneous Unsecured Claims (Class 5)*. On the Distribution Date, each holder of an Allowed Miscellaneous Class 5 Unsecured Claim will be paid in full in Cash; *provided however*, that Allowed Miscellaneous Class 5 Unsecured Claims with respect to liabilities incurred by the Debtor in the ordinary course of business will be paid in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto.

4.6. *SERP Claims (Class 6)*. On the Distribution Date, each holder of an Allowed Class 6 SERP Claim will receive in full satisfaction, settlement, release and discharge of and in exchange for such Allowed SERP Claim, the Class 6 Distribution.

4.7. *Equity Interests (Class 7)*. All Equity Interests will be cancelled on the Effective Date, and on the Distribution Date, each holder of Allowed Class 7 Equity Interests, other than *De Minimis* Interest Holders, will receive, in full satisfaction, settlement, release, and discharge of and in exchange for its Allowed Class 7 Equity Interests, its Ratable Portion of the Class 7 Distribution.

4.8. *De Minimis Interest Holders (Class 8)*. The Equity Interests held by *De Minimis* Interest Holders will be cancelled on the Effective Date, and on the Distribution Date, each *De Minimis* Equity Holder will receive, in full satisfaction, settlement, release, and discharge of and in exchange for its Allowed Equity Interests, its Ratable Portion of the Class 8 Distribution.

4.9. *Other Equity Interests (Class 9)*. The Other Equity Interests will be cancelled on the Effective Date and holders of Other Equity Interests will receive no distribution under the Plan.

SECTION 5. IDENTIFICATION OF CLASSES OF CLAIMS AND INTERESTS IMPAIRED; ACCEPTANCE OR REJECTION OF THE PLAN

Each of Class 1 (Other Priority Claims), Class 2 (Miscellaneous Secured Claims) and Class 5 (Miscellaneous Unsecured Claims) is unimpaired by the Plan and the holders of Claims in each of such Classes are conclusively presumed to have accepted the Plan under section 1126(f) of the Bankruptcy Code, and are not entitled to vote to accept or reject the Plan.

Class 3 (Note Claims), Class 4 (Note Convenience Claims), Class 6 (SERP Claims), Class 7 (Equity Interests), and Class 8 (*De Minimis* Equity Interests), are impaired by the Plan and the holders of Claims and Equity Interests in such Classes are entitled to vote to accept or reject the Plan.

Class 9 (Other Equity Interests) are impaired and are not entitled to receive or retain any property under the Plan. The holders of Other Equity Interests are deemed to have rejected the Plan and their votes will not be solicited.

SECTION 6. CRAMDOWN

With respect to any Class that does not vote to accept the Plan, the Debtor shall request confirmation of the Plan under section 1129(b) of the Bankruptcy Code.

SECTION 7. MEANS OF IMPLEMENTATION

7.1. *Distributions.* On the Distribution Date the Reorganized Debtor shall make or cause to be made to the holders of Allowed Claims and Allowed Equity Interests the distributions provided in section 4 hereof. Disputed Claims shall be resolved in accordance with section 9 hereof and, if a Disputed Claim becomes an Allowed Claim by Final Order, distributions shall be made on account of such Claim in accordance with section 8 hereof.

7.2. *Authorization to Issue New Securities.* The issuance of the following securities by the Reorganized Debtor is authorized without further act or action under applicable law, regulation, order or rule: 10,000,000 shares of New Issued Common Stock and the New Notes in the aggregate amount of up to \$11,000,000.

7.3. *Issuance of New Securities.* The Amended Certificate of Incorporation shall initially authorize the Reorganized Debtor to issue a total of up to 35,000,000 shares of New Issued Common Stock. Additionally, the Reorganized Debtor will issue the New Notes in the aggregate amount of up to \$11,000,000.

7.4. *Stockholders' Agreement.* The Reorganized Debtors and the Exit Financing Parties and certain of their affiliates shall enter into the Stockholders' Agreement on or prior to the Effective Date.

7.5. *Cancellation of Existing Securities and Agreements.* On the Effective Date, the Notes, the Equity Interests, and the Other Equity Interests shall (a) be cancelled, and (b) have no effect other than the right to participate in the distributions, if any, provided under the Plan in respect of Claims and Equity Interests as expressly provided with respect to the applicable Claims and Equity Interests in section 4 of the Plan. Except to the extent necessary to evidence the right to receive distributions under the Plan and otherwise provided herein, on the Effective Date, the Notes Indenture and the Notes shall be deemed to be canceled, as permitted by section 1123(a)(5)(F) of the Bankruptcy Code, and the obligations of the Debtor thereunder shall cease.

7.6. *Amended Certificate of Incorporation.* On the Effective Date or as soon as practicable thereafter, the Reorganized Debtor shall file with the Secretary of State of Delaware, in accordance with the DGCL, the Amended Certificate of Incorporation. On the Effective Date, the Amended Certificate of Incorporation shall automatically become effective, and all other matters provided under this Plan involving the corporate structure of the Reorganized Debtor, or corporate action by it, shall be deemed to have occurred and shall be in effect from and after the Effective Date pursuant to section 303 of the DGCL without any requirement of further action by the stockholders or the directors of the Reorganized Debtor, including, without limitation, the approval of Stock Incentive Plan.

7.7. *Stock Incentive Plan.* On the Effective Date, the Stock Incentive Plan shall be deemed approved by Reorganized Debtor pursuant to section 303 of the DGCL without any requirement of further action by the stockholders or the directors of the Reorganized Debtor.

7.8. *Corporate Action.*

(A) Board of Directors of Reorganized Debtor. On the Effective Date, the operation of Reorganized Debtor shall become the general responsibility of the Board of Directors of Reorganized Debtor, subject to, and in accordance with, the Amended Certificate of Incorporation and the Amended By-laws. The term of the directors of the Debtor immediately prior to the Effective Date shall expire on the Effective Date and shall be replaced by the Board of Directors of Reorganized Debtor.

(B) Officers of Reorganized Debtor. The initial officers of Reorganized Debtor are or shall be disclosed in the Disclosure Statement or an amendment or supplement to the Disclosure Statement or such other filing as may be made with the Bankruptcy Court. The selection of officers of Reorganized Debtor after the Effective Date shall be as provided in its Amended Certificate of Incorporation and Amended By-laws.

7.9. *Continued Corporate Existence.* The Debtor shall continue to exist after the Effective Date as a corporate entity, in accordance with Delaware law and pursuant to the Amended Certificate of Incorporation and Amended By-laws. The Amended Certificate of Incorporation and Amended By-laws shall satisfy the requirements of the Plan and the Bankruptcy Code and shall include, among other things, pursuant to section 1123(a)(6) of the Bankruptcy Code, a provision prohibiting the issuance of non-voting equity securities.

7.10. *Exit Financing.* On the Effective Date, the Exit Financing Parties shall transfer \$16,000,000 to the Debtor in return for the Exit Financing Securities in the following amounts:

	Exit Financing Amount	New Issued Common Stock
Bay Harbour Partners, Ltd.	\$2,000,000	233,964
Lloyd I. Miller, III	\$2,000,000	233,964
Pollux Investments LLC	\$2,000,000	233,964
Highland Capital Management L.P.	<u>\$10,000,000</u>	<u>1,169,822</u>
TOTAL	\$16,000,000	1,871,714

SECTION 8. PROVISIONS GOVERNING DISTRIBUTIONS

8.1. *Date of Distributions.* Unless otherwise provided herein, any distributions and deliveries to be made hereunder shall be made on the Distribution Date. 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.

8.2. *Disbursing Agent.* All distributions under the Plan shall be made by Reorganized Debtor as Disbursing Agent or such other entity designated by Reorganized Debtor as a Disbursing Agent, including, but not limited to, the Notes Indenture Trustee, on the Distribution Date. A Disbursing Agent shall not be required to give any bond or surety or other

security for the performance of its duties unless otherwise ordered by the Bankruptcy Court, and, in the event that a Disbursing Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be borne by Reorganized Debtor.

8.3. *Compensation of Professionals.*

(A) Each Professional retained or requesting compensation in the Chapter 11 Case pursuant to section 327, 328, 330, 331, 503(b), or 1103 of the Bankruptcy Code shall be required to file and serve an application for allowance of final compensation and reimbursement of expenses in the Chapter 11 Case on or before ten (10) days after the Effective Date. Objections to any application made under this section 8.3 shall be filed on or before twenty (20) days after the Effective Date and served on the Reorganized Debtor, the United States Trustee and the requesting Professional.

(B) If no objection is filed and served with respect to a Professional's request for compensation and reimbursement of expenses, such Professional Fee Claim shall be paid by the Reorganized Debtor on the twenty-fourth (24th) day after the Effective Date. Otherwise, such Professional Fee Claim shall be paid by the Reorganized Debtor at such time as the objection is resolved or settled by Final Order of the Bankruptcy Court.

(C) On or prior to the Confirmation Date, each Professional seeking compensation or reimbursement under section 327, 328, 330, 331, 503(b), or 1103 of the Bankruptcy Code shall provide the Debtor with a written estimate of the amount of its requested compensation and reimbursement through the Effective Date. On the Effective Date, the Debtor shall establish the Professional Claims Reserve in an amount equal to the aggregate amount of such estimated compensation or reimbursements, unless otherwise previously paid by the Debtor. The funds in the Professional Claims Reserve shall be used solely for the payment of Allowed Professional Fee Claims. If a Professional fails to submit an estimate of its fees in accordance with this section 8.3(C), the Reorganized Debtor shall not pay such Professional's Allowed Professional Fee Claim from the Professional Claims Reserve but rather shall pay such claim from any other source available to the Reorganized Debtor.

8.4. *Delivery of Distributions.* All distributions to any holder of an Allowed Claim or Equity Interest shall be made at the address of such holder as set forth on the Schedules filed with the Bankruptcy Court or on the books and records of the Debtor or its agents, unless the Debtor or Reorganized Debtor, as applicable, have been notified in writing of a change of address, including, without limitation, by the filing of a proof of claim or interest by such holder that contains an address for such holder different from the address reflected on such Schedules for such holder. In the event that any distribution to any holder is returned as undeliverable, the Disbursing Agent shall use reasonable efforts to determine the current address of such holder, but no distribution to such holder shall be made unless and until the Disbursing Agent has determined the then current address of such holder, at which time such distribution shall be made to such holder without interest; *provided, however*, that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of ninety (90) days from the Effective Date. After such date, all unclaimed property or interest in property

shall revert to Reorganized Debtor and the Claim of any other holder to such property or interest in property shall be discharged and forever barred.

8.5. *Manner of Payment Under the Plan.* At the option of the Disbursing Agent, any Cash payment to be made hereunder may be made by a check or wire transfer or as otherwise required or provided in applicable agreements.

8.6. *Fractional Shares.* No fractional shares of New Issued Common Stock shall be distributed. For purposes of distribution, fractional shares of New Issued Common Stock shall be rounded down to the previous whole number.

8.7. *Setoffs and Recoupment.* The Debtor may, but shall not be required to, setoff against, or recoup from, any Claim or Equity Interest and the distributions to be made pursuant to the Plan in respect of such Claim or Equity Interest, any claims of any nature whatsoever that the Debtor may have against the claimant, but neither the failure to do so nor the allowance of any Claim or Equity Interest hereunder shall constitute a waiver or release by the Debtor of any such claim they may have against such claimant.

8.8. *Distributions After Distribution Date.* Distributions made after the Date to holders of Disputed Claims that are not Allowed Claims as of the Distribution Date but which later become Allowed Claims shall be deemed to have been made on the Distribution Date.

8.9. *Rights and Powers of Disbursing Agent.*

(A) Powers of the Disbursing Agent. The Disbursing Agent shall be empowered to (i) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan, (ii) make all distributions contemplated hereby, (iii) employ professionals to represent it with respect to its responsibilities, and (iv) 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.

(B) Expenses Incurred on or After the Effective Date. Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Disbursing Agent on or after the Effective Date (including, without limitation, taxes) and any reasonable compensation and expense reimbursement claims (including, without limitation, reasonable attorney fees and expenses) made by the Disbursing Agent shall be paid in Cash by the Reorganized Debtor in the ordinary course.

8.10. *Notes Indenture Trustee's Fees and Expenses.* The Notes Indenture Trustee shall be entitled to payment directly from the Reorganized Debtor on the Distribution Date of all fees and reasonable expenses incurred in accordance with the terms of the Notes Indenture and all additional fees and expenses incurred as acting as Disbursing Agent for the Notes up to a maximum amount of \$10,000.00. These amounts will be paid directly to the Notes Indenture Trustee by the Debtor or Reorganized Debtor on the Distribution Date, or as soon as practicable thereafter, without further order of the Bankruptcy Court.

8.11. *Record Date for Holders of Claims and Equity Interests.* The record date for the initial distribution to holders of Claims and Equity Interests under the Plan will be the Distribution Record Date. The record date for all subsequent distributions, if any, to holders of Claims and Equity Interests under the Plan will be the Subsequent Record Distribution Date(s).

8.12. *Reserves.* Before making any distributions under the Plan, the Reorganized Debtor shall hold in reserve the amount of Cash or New Issued Common Stock that would be required to be distributed under the Plan on account of any Claim but for the fact that such Claim is not Allowed; *provided, however,* that at the time such Claim is disallowed in whole or in part by Final Order, settlement or otherwise, the reserve on account of such Claim for the disallowed amount thereof, shall be returned to the Reorganized Debtor. If a Claim as to which an objection has been filed becomes, in whole or in part, an Allowed Claim, the Reorganized Debtor shall distribute to the holder thereof the amount to which it is entitled from the Disputed Claims Reserve in accordance with the terms of the Plan. Any balance remaining in the Disputed Claims Reserve after all Claims have been satisfied in accordance with the terms of this Plan and the Chapter 11 Case is ready to be closed, shall be transferred to the Reorganized Debtor's operating account to be used by the Reorganized Debtor at its discretion in the ordinary course of business.

8.13. *Allocation Relating to Notes.* All distributions to holders of Notes shall be allocated first to the portion of each such Claim representing the principal amount of the Notes and then, to the extent the consideration exceeds such amount, to the remainder of such Claim.

8.14. *Discharge of Notes Indenture Trustee.* Immediately following the Effective Date, the Notes Indenture Trustee shall be discharged of all of its obligations under the terms of the Notes Indenture, except for the obligation to act as Disbursing Agent at the request of the Reorganized Debtor. Following the Effective Date, the Notes Indenture Trustee shall have no other duty or obligation to the holders of the Notes and, without limitation, shall have no duty with respect to the Claims resolution process. The Notes Indenture Trustee shall not be entitled to a fee for acting as indenture trustee after the Effective Date unless it is asked to make a distribution or perform other specific services.

SECTION 9. PROCEDURES FOR TREATING DISPUTED CLAIMS UNDER THE PLAN

9.1. *Disputed Claims.* Except as to applications for allowances of compensation and reimbursement of expenses under sections 330 and 503 of the Bankruptcy Code, the Debtor or Reorganized Debtor shall have the exclusive right to make and file objections to Claims subsequent to the Confirmation Date. All objections shall be litigated to Final Order; *provided, however,* that Reorganized Debtor shall have the authority to compromise, settle, otherwise resolve, or withdraw any objections, without approval of the Bankruptcy Court. Unless otherwise ordered by the Bankruptcy Court, the Debtor or Reorganized Debtor shall file all objections to Claims (other than applications for allowances of compensation and reimbursement of expenses) and serve such objections upon the holders of such Claims as to which the objection is made as soon as practicable, but in no event later than the Objection Deadline.

9.2. *No Distributions Pending Allowance.* Notwithstanding any other provision hereof, 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.

9.3. *Distributions After Allowance.* To the extent that a Disputed Claim ultimately becomes an Allowed Claim, a distribution shall be made to the holder of such Allowed Claim in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Disbursing Agent shall provide to the holder of such Allowed Claim the distribution to which such holder is entitled under the Plan.

SECTION 10. PROVISIONS GOVERNING EXECUTORY CONTRACTS AND UNEXPIRED LEASES

10.1. *Assumed Contracts and Leases.* Except as otherwise provided in the Plan or in any contract, instrument, release, indenture, or other agreement or document entered into in connection with the Plan, as of the Effective Date, the Debtor shall be deemed to have rejected each executory contract and unexpired lease to which they were a party, unless such contract or lease (i) was previously assumed or rejected by the Debtor, (ii) previously expired or terminated pursuant to its own terms, (iii) is the subject of a motion to reject filed on or before the Effective Date, or (iv) is identified as an assumed executory contract or an assumed unexpired lease, as applicable, in Exhibit E hereto as same may be amended from time to time prior to the Confirmation Hearing. The Confirmation Order shall constitute an order of the Bankruptcy Court under section 365 of the Bankruptcy Code approving the contract and lease assumptions and rejections described above, as of the Effective Date except for any contract or lease assumed or rejected prior thereto.

Each executory contract and unexpired lease that is assumed and relates to the use, ability to acquire, or occupancy of real property shall include (i) all modifications, amendments, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument, or other document that in any manner affects such executory contract or unexpired lease and (ii) all executory contracts or unexpired leases appurtenant to the premises, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, powers, uses, usufructs, reciprocal easement agreements, vaults, tunnel or bridge agreements or franchises, and any other interests in real estate or rights *in rem* related to such premises, unless any of the foregoing agreements has been rejected pursuant to an order of the Bankruptcy Court.

10.2. *Payments Related to Assumption of Contracts and Leases.* Any monetary amounts by which each executory contract and unexpired lease to be assumed pursuant to the Plan is in default shall be satisfied, under section 365(b)(1) of the Bankruptcy Code, by Cure. If there is a dispute regarding (i) the nature or amount of any Cure, (ii) the ability of the Reorganized Debtor or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed, or (iii) any other matter pertaining to assumption, Cure shall occur following the entry of a Final Order resolving the dispute and approving the assumption or assumption and assignment, as the case may be.

10.3. *Rejected Contracts and Leases.* This Plan constitutes and incorporates a motion by the Debtor to reject, and the Confirmation Order shall be deemed to be an Order authorizing the rejection of those executory contracts and unexpired leases to which the Debtor is a party, except for those executory contracts and unexpired leases listed on Exhibit E hereof as the same may be amended from time to time prior to the Confirmation Hearing.

10.4. *Bar for Rejection Damages.* If the rejection by the Debtor, pursuant to the Plan or otherwise, of an executory contract or unexpired lease results in a Claim that is not theretofore evidenced by a timely filed proof of Claim or a proof of Claim that is deemed to be timely filed under applicable law, then such Claim shall be forever barred and shall not be enforceable against the Debtor or Reorganized Debtor, or the properties of the Debtor or Reorganized Debtor, unless a proof of Claim is filed with the Claims Agent on or before the later to occur of the Bar Date or thirty (30) days after entry of an order (which may be the Confirmation Order) authorizing the rejection of the applicable unexpired lease or executory contract.

10.5. *Treatment Under Plan of Rejection Damages.* Unless otherwise ordered by the Bankruptcy Court, all Allowed Claims arising from the rejection of executory contracts or unexpired leases shall be treated as Class 5 Miscellaneous Unsecured Claims.

10.6. *Consulting Agreement).* On the Effective Date of the Plan, the Reorganized Debtor and Sheldon Cantor shall enter into the Cantor Consulting Agreement.

SECTION 11. CONDITIONS PRECEDENT TO EFFECTIVE DATE

11.1. *Conditions Precedent to Effective Date of the Plan.* The occurrence of the Effective Date of the Plan is subject to satisfaction of the following conditions precedent:

(A) A Confirmation Order shall have been entered by the Clerk of the Bankruptcy Court which is in form and substance reasonably acceptable to the Debtor and there shall not be a stay or injunction in effect with respect thereto.

(B) The Exit Financing Parties shall have paid the Debtor \$16,000,000 under the Exit Financing Agreement in accordance with the terms of this Plan and the Exit Financing Agreement.

(C) The Debtor shall have purchased directors and officers liability insurance for the Board of Directors of Reorganized Debtor in form, substance and amount reasonably acceptable to the Debtor.

(D) All other actions and all agreements, instruments or other documents necessary to implement the terms and provisions hereof shall have been effected.

(E) The Debtor shall have created the Professional Fee Reserve in accordance with section 8.3 of this Plan.

(F) The Debtor and the Exit Financing Parties and certain of their affiliates shall have entered into the Stockholders' Agreement.

11.2. *Waiver of Conditions Precedent.* Each of the conditions precedent in section 11.1, other than 11.1(A) and 11.1(E) hereof may be waived, in whole or in part, by the Debtor in writing. Any such waivers of a condition precedent in section 11.1 hereof may be effected at any time, without notice, without leave or order of the Bankruptcy Court and without any formal action.

SECTION 12. EFFECT OF CONFIRMATION

12.1. *Vesting of Assets.* On the Effective Date, the Debtor, its properties and interests in property and its operations shall be released from the custody and jurisdiction of the Bankruptcy Court, and the estate of the Debtor shall vest in Reorganized Debtor free and clear of any and all Liens, except as otherwise provided herein. From and after the Effective Date, Reorganized Debtor may operate its business and may use, acquire and dispose of property free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules, subject to the terms and conditions of the Plan.

12.2. *Binding Effect.* Except as otherwise provided in section 1141(d)(3) of the Bankruptcy Code and subject to the occurrence of the Effective Date, on and after the Effective Date, the provisions of the Plan shall bind any holder of a Claim against or Equity Interest in the Debtor and such holder's respective successors and assigns, whether or not the Claim or Equity Interest of such holder is impaired under the Plan and whether or not such holder has accepted the Plan.

12.3. *Discharge of Debtor.* Except to the extent otherwise provided herein, the treatment of all Claims against or Equity Interests in the Debtor hereunder shall be in exchange for and in complete satisfaction, discharge and release of all Claims against or Equity Interests in the Debtor of any nature whatsoever, known or unknown, including, without limitation, any interest accrued or expenses incurred thereon from and after the Petition Date, or against its estates or properties or interests in property. Except as otherwise provided herein, upon the Effective Date, all Claims against and Equity Interests in the Debtor will be satisfied, discharged, and released in full exchange for the consideration provided hereunder. Except as otherwise provided herein, all entities shall be precluded from asserting against the Debtor or Reorganized Debtor or its respective properties or interests in property, any other Claims based upon any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date.

12.4. *Term of Injunctions or Stays.* Unless otherwise provided in the Plan, all injunctions or stays arising under or entered during this Chapter 11 Case under section 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 30th day following the Effective Date.

12.5. *Exculpation.* The Released Parties shall not have or incur, and are hereby released from, any claim, obligation, cause of action or liability to one another or to any holder of a Claim or an Equity Interest, or any other party in interest, or any of their respective agents,

employees, representatives, financial advisors, attorneys or affiliates, or any of their successors and assigns, for any act or omission in connection with, relating to or arising out of this Chapter 11 Case, the solicitation of votes and pursuit of confirmation of the Plan, the consummation of the Plan, the administration of the Plan or the property to be distributed under the Plan, the solicitation and issuance of the New Issued Common Stock, and in all respects shall be entitled to rely reasonably upon the advice of counsel with respect to its duties and responsibilities under the Plan, *provided however*, that nothing in this section shall be deemed to release any such person from liability for acts or omissions that are the result of actual fraud, gross negligence, willful misconduct, or willful violation of the securities laws or the Internal Revenue Code.

12.6. *Release.* As of the Effective Date and subject to its occurrence, except as otherwise provided in this Plan, the Released Parties shall have deemed to have been released and discharged by (i) the Debtor, its estate, and the Reorganized Debtor, and (ii) any holder of a Claim or Equity Interest or any other party in interest or any of their respective agents, employees, representatives, financial advisors, attorneys or affiliates, or any of the successors and assigns (all such holders and other parties listed in this section 12.6(i) and (ii), the “Releaser Parties”), from any and all claims and causes of action arising out of or based upon their service in any such capacity or any transaction, event, circumstance or other matter involving or relating to the Debtor that occurred on or before the Effective Date; *provided however*, that nothing in this section shall be deemed to (a) release any of the Released Parties from liability for acts or omissions that are the result of actual fraud, gross negligence, willful misconduct, or willful violation of the securities laws or the Internal Revenue Code or the Claims, if any, of the United States; (b) prevent the Debtor or the Reorganized Debtor from objecting to the Claim of any such Released Party; (c) preclude police, federal tax or regulatory agencies from fulfilling their statutory duties. The Releaser Parties shall be enjoined from commencing or continuing any action, employment of process, or act to collect, offset or recover any Claims and causes of action released and discharged pursuant to this section; *provided however*, that the injunction provided for in this section shall not (x) bar actions based upon liability for acts or omissions that are the result of actual fraud, gross negligence, willful misconduct, or willful violation of the securities laws or the Internal Revenue Code or the Claims, if any, of the United States; (y) preclude police, federal tax or regulatory agencies from fulfilling their statutory duties; or (z) bar the Claims, if any, of the United States.

12.7. *Indemnification Obligations.* Subject to the occurrence of the Effective Date, the obligations of the Debtor, to indemnify, defend, reimburse, make advances to or limit the liability of directors or officers who were or are directors or officers of the Debtor prior to and after the Petition Date, in respect of any claims or causes of action as provided in the Debtor’s certificate of incorporation, by-laws, applicable state law or contract shall not be terminated and shall be in full force and effect in all respects.

SECTION 13. RETENTION OF JURISDICTION

The Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of, or related to, the Chapter 11 Case, the Plan and the Confirmation Order pursuant to, and for the purposes of, sections 105(a) and 1142 of the Bankruptcy Code and for, among other things, the following purposes:

(A) To hear and determine pending applications for the assumption, assumption and assignment, or rejection of executory contracts or unexpired leases and the allowance of Claims resulting therefrom.

(B) To enforce all agreements, assumed, if any, and to recover all property of the estate wherever located.

(C) To determine any and all adversary proceedings, applications and contested matters, including, without limitation, under sections 544, 545, 548, 549, 550, 551, and 553 of the Bankruptcy Code.

(D) To ensure that distributions to holders of Allowed Claims and Allowed Equity Interests are accomplished as provided herein.

(E) To hear and determine any timely objections to Administrative Claims or to proofs of Claim, including, without limitation, any objections to the classification of any Claim, and to allow or disallow any Disputed Claim in whole or in part.

(F) To determine the validity, extent and priority of all Liens, if any, against properties of the estates.

(G) To determine all assertions of an ownership interest in, the value of, or title to, any property of the estates.

(H) To determine any tax liability of the estates in connection with the Plan, actions taken, distributions or transfers made thereunder.

(I) To enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified, or vacated.

(J) To issue such orders in aid of execution of the Plan, to the extent authorized by section 1142 of the Bankruptcy Code.

(K) To consider any amendments to or modifications of the Plan, or to cure any defect or omission, or reconcile any inconsistency, in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order.

(L) To hear and determine all applications under sections 330, 331, and 503(b) of the Bankruptcy Code for awards of compensation for services rendered and reimbursement of expenses incurred prior to the Confirmation Date.

(M) To hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan, the Confirmation Order, any transactions or payments contemplated hereby or any agreement, instrument or other document governing or relating to any of the foregoing.

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

(O) To hear and determine any other matter not inconsistent with the Bankruptcy Code.

(P) To hear and determine all disputes involving the existence, scope, and nature of the discharges granted under the Plan and the Confirmation Order.

(Q) To issue injunctions and effect any other actions that may be necessary or desirable to restrain interference by any entity with the consummation or implementation of the Plan.

(R) To determine such other matters as may be provided in the Confirmation Order.

(S) To enter a final decree closing the Chapter 11 Case.

SECTION 14. MISCELLANEOUS PROVISIONS

14.1. *Payment of Statutory Fees.* All fees payable under section 1930, chapter 123, title 28, United States Code, as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid on the Effective Date. Any such fees accrued after the Effective Date will be paid by the Reorganized Debtor in the ordinary course of business.

14.2. *Section 1125(e) of the Bankruptcy Code.* As of the Confirmation Date, the 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. The Debtor (and each of their respective affiliates, agents, directors, officers, employees, investment bankers, financial advisors, attorneys and other professionals) have, and shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer and issuance of the securities under the Plan, and therefore are not, and on account of such offer, issuance and solicitation will not be, liable at any time for the violation of any applicable law, rule or regulation governing the solicitation of acceptances or rejections of the Plan or the offer and issuance of securities under the Plan.

14.3. *Exemption from Certain Transfer Taxes.* Pursuant to section 1146(c) of the Bankruptcy Code, any transfers from the Debtor to any other person or entity pursuant to the Plan shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, or other similar tax or governmental assessment, and the Confirmation Order shall direct the appropriate state or local governmental officials or agents to forego the collection of any such tax or governmental assessment.

14.4. *Modifications and Amendments.* The exhibits to both the Plan and Disclosure Statement can be amended at any time prior to the Confirmation Date by the Debtor. In addition the Debtor may alter, amend, or modify the Plan under section 1127(a) of the Bankruptcy Code at any time prior to the Confirmation Date. After the Effective Date the

Reorganized Debtor may, under section 1127(b) of the Bankruptcy Code, institute proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any inconsistencies in the Plan or the Confirmation Order, and to accomplish such matters as may be necessary to carry out the purposes and effects of the Plan so long as such proceedings do not materially adversely affect the treatment of holders of Claims under the Plan; *provided, however*, that prior notice of such proceedings shall be served in accordance with the Bankruptcy Rules or order of the Bankruptcy Court.

14.5. *Compliance with Tax Requirements.* In connection with the consummation of the Plan, the Reorganized Debtor shall comply with all withholding and reporting requirements imposed by any taxing authority, and all distributions hereunder shall be subject to such withholding and reporting requirements.

14.6. *Preservation of Transferred Claims.* All causes of action which are currently held by the Debtor will be transferred to and prosecuted by the Reorganized Debtor at its sole and absolute discretion. The failure of the Debtor specifically to list any claim, right of action, suit, or proceeding herein or in the Plan does not, and will not be deemed to, constitute a waiver or release by the Debtor of such claim, right of action, suit, or proceeding, and Reorganized Debtor will retain the right to pursue additional claims, rights of action, suits, or proceedings.

14.7. *Severability of Plan Provisions.* Except as otherwise provided herein, in the event that, prior to the Effective Date, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void or unenforceable, then if requested by the Debtor or Reorganized Debtor the Bankruptcy Court 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 hereof shall remain in full force and effect and shall 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 hereof, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable in accordance with its terms. Notwithstanding the foregoing or any other provision of the Plan, to the extent section 4 of the Plan or any part thereof is held by the Bankruptcy Court to be invalid, void or unenforceable, then the Plan shall be deemed null and void for all purposes.

14.8. *Filing or Execution of Additional Documents.* On or before the Effective Date, the Debtor or the Reorganized Debtor will file with the Bankruptcy Court or execute, as appropriate, such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan.

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

ABN Banknote Corporation
 Patrick J. Gentile
 Executive Vice President
 and Chief Financial Office
 560 Sylvan Avenue
 Englewood Cliffs, New Jersey 07632-3119
 Tel: (201) 568-4400
 Fax: (201) 568-4577

With a copy (which shall not constitute notice) to:

ANDREWS KURTH LLP
 Paul Silverstein, Esq.
 Richard Baumfield, Esq.
 450 Lexington Avenue, 15th Floor
 New York, NY 10017
 Tel: (212) 850-2800
 Fax: (212) 850-2929

-and-

COOCH AND TAYLOR
 Adam Singer, Esq.
 824 Market Street Mall, 10th Floor
 Wilmington, DE 19801
 Tel: (302) 652-3641
 Fax: (302) 652-5379

14.10. *Governing Law.* Except to the extent that the Bankruptcy Code or other federal law is applicable, or to the extent an exhibit hereto provides otherwise, the rights, duties 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 giving effect to the principles of conflict of laws thereof.

Dated: January 19, 2005

Respectfully submitted,

AMERICAN BANKNOTE
 CORPORATION

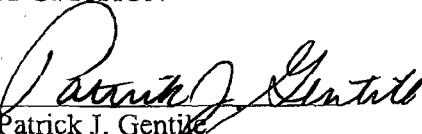
By: 
 Patrick J. Gentile
 Executive Vice President and
 Chief Financial Officer

EXHIBIT A
TO
DEBTOR'S PLAN OF REORGANIZATION
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

AMENDED AND RESTATED BY-LAWS OF
AMERICAN BANKNOTE CORPORATION

AMENDED AND RESTATED BY-LAWS
OF
AMERICAN BANKNOTE CORPORATION
(A Delaware Corporation)

ARTICLE I
STOCKHOLDERS

1. CERTIFICATES REPRESENTING STOCK.

(a) Every holder of stock in the Corporation shall be entitled to have a certificate signed (by original signature or by facsimile) by, or in the name of, the Corporation by the Chairman or Vice Chairman of the Board of Directors, if any, or by the President or a Vice-President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation representing the number of shares owned by such person in the Corporation. If such certificate is countersigned by a transfer agent other than the Corporation or its employee or by a registrar other than the Corporation or its employee, any such signature on the certificate may also be a facsimile. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent, or registrar at the date of issue.

(b) Whenever the Corporation shall be authorized to issue more than one class of stock or more than one series of any class of stock, and whenever the Corporation shall issue any shares of its stock as partly paid stock, the certificates representing shares of any such class or series or of any such partly paid stock shall set forth thereon the statements prescribed by Chapter I of Title 8 of the Delaware Code (the "General Corporation Law"). Any restrictions on the transfer or registration of transfer of any shares of stock of any class or series shall be noted conspicuously on the certificate representing such shares.

(c) The Corporation may issue a new certificate of stock in place of any certificate theretofore issued by it, which is alleged to have been lost, stolen, or destroyed, and the Board of Directors may require the owner of any lost, stolen, or destroyed certificate, or such person's legal representative, to give the Corporation a bond sufficient to indemnify the Corporation against any claim that may be made against it on account of the alleged loss, theft, or destruction of any such certificate or the issuance of any such new certificate.

2. FRACTIONAL SHARE INTERESTS.

The Corporation may, but shall not be required to, issue fractions of a share.

3. STOCK TRANSFERS.

Upon compliance with provisions restricting the transfer or registration of transfer of shares of stock, if any, transfers or registration of transfer of shares of stock of the Corporation shall be made only on the stock ledger of the Corporation by the registered holder thereof, or by such person's attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the Corporation or with a transfer agent or a registrar, if any, and on surrender of the certificate or certificates for such shares of stock properly endorsed and the payment of all taxes due thereon.

4. RECORD DATE FOR STOCKHOLDERS.

(a) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than sixty nor less than ten days before the date of such meeting. If no record date has been fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion, or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty days prior to such action. If no record date has been fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

5. MEANING OF CERTAIN TERMS.

As used herein in respect of the right to notice of a meeting of stockholders or a waiver thereof or to participate or vote thereat or to consent or dissent in writing in lieu of a meeting, as the case may be, the term "share" or "shares" or "share of stock" or "shares of stock" or "stockholder" or "stockholders" refers to an outstanding share or shares of stock and to a holder or holders of record of outstanding shares of stock when the Corporation is authorized to issue only one class of shares of stock, and such reference is also intended to include any outstanding share or shares of stock and any holder or holders of record of outstanding shares of stock of any class upon which or upon whom the Corporation's Certificate of Incorporation confers such rights where there are two or more classes or series of shares of stock or upon which or upon whom the General Corporation Law confers such rights notwithstanding that the Corporation's

Certificate of Incorporation may provide for more than one class or series of shares of stock, one or more of which are limited or denied such rights thereunder; provided, however, that no such right shall vest in the event of an increase or a decrease in the authorized number of shares of stock of any class or series which is otherwise denied voting rights under the provisions of the Corporation's Certificate of Incorporation, including any preferred stock which is denied voting rights under the provisions of the resolution or resolutions adopted by the Board of Directors with respect to the issuance thereof.

6. STOCKHOLDER MEETINGS.

(a) TIME. The annual meeting shall be held on the date and at the time fixed, from time to time, by the Board of Directors. A special meeting shall be held on the date and at the time fixed by the Board of Directors.

(b) PLACE. Annual meetings and special meetings shall be held at such place, within or without the State of Delaware, as the Board of Directors may, from time to time, fix. Whenever the Board of Directors shall fail to fix such place, the meeting shall be held at the principal office of the Corporation.

(c) CALL. Annual meetings may be called by the Board of Directors, by any officer instructed by the Board of Directors to call the meeting. Special meetings of the stockholders may be called by the Chairman of the Board of Directors whenever he shall deem it proper to do so, and on the request to him in writing by a majority of the Directors or by the holders of twenty percent (20%) of the total amount of the Corporation's issued and outstanding capital stock which is regularly entitled to vote.

(d) NOTICE OR WAIVER OF NOTICE. Written notice of all meetings shall be given, stating the place, date, and hour of the meeting. The notice of an annual meeting shall state that the meeting is called for the election of Directors and for the transaction of other business which may properly come before the meeting, and shall (if any other action which could be taken at a special meeting is to be taken at such annual meeting), state such other action or actions as are known at the time of such notice. The notice of a special meeting shall in all instances state the purpose or purposes for which the meeting is called and no other business shall be transacted at such meeting. Except as otherwise provided by the General Corporation Law, a copy of the notice of any meeting shall be given, personally or by mail, not less than ten days nor more than sixty days before the date of the meeting, unless the lapse of the prescribed period of time shall have been waived, and directed to each stockholder at such person's address as it appears on the records of the Corporation. Notice by mail shall be deemed to be given when deposited, with postage thereon prepaid, in the United States mail. If a meeting is adjourned to another time, not more than thirty days hence, and/or to another place, and if an announcement of the adjourned time and place is made at the meeting, it shall not be necessary to give notice of the adjourned meeting unless the Board of Directors, after adjournment, fixes a new record date for the adjourned meeting. Notice need not be given to any stockholder who submits a written waiver of notice before or after the time stated therein. Attendance of a person at a meeting of stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the

business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice.

(e) **STOCKHOLDER LIST.** There shall be prepared and made, at least ten days before every meeting of stockholders, a complete list of the stockholders, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting at the principal executive offices of the Corporation. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. The stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list required by this section or the books of the Corporation, or to vote at any meeting of stockholders.

(f) **CONDUCT OF MEETING.** Meetings of the stockholders shall be presided over by one of the following officers in the order of seniority and if present and acting: the Chairman of the Board, if any, the Vice-Chairman of the Board, if any, the President, a Vice President, a chairman for the meeting chosen by the Board of Directors or, if none of the foregoing is in office and present and acting, by a chairman to be chosen by the stockholders. The Secretary of the Corporation or, in such person's absence, an Assistant Secretary, shall act as secretary of every meeting, but if neither the Secretary nor an Assistant Secretary is present the chairman for the meeting shall appoint a secretary of the meeting.

(g) **PROXY REPRESENTATION.** Every stockholder may authorize another person or persons to act for such stockholder by proxy in all matters in which a stockholder is entitled to participate, whether by waiving notice of any meeting, voting or participating at a meeting, or expressing consent or dissent without a meeting. Every proxy must be signed by the stockholder or by such person's attorney in-fact. No proxy shall be voted or acted upon after three years from its date unless such proxy provides for a longer period. A duly executed proxy shall be irrevocable if it states that it is irrevocable and, if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A proxy may be made irrevocable regardless of whether the interest with which it is coupled is an interest in the stock itself or an interest in the Corporation generally.

(h) **INSPECTORS AND JUDGES.** The Board of Directors, in advance of any meeting, may, but need not, appoint one or more inspectors of election or judges of the vote, as the case may be, to act at the meeting or any adjournment thereof. If an inspector or inspectors or judge or judges are not appointed by the Board of Directors, the person presiding at the meeting may, but need not, appoint one or more inspectors or judges. In case any person who may be appointed as an inspector or judge fails to appear or act, the vacancy may be filled by appointment made by the person presiding thereat. Each inspector or judge, if any, before entering upon the discharge of such person's duties, shall take and sign an oath faithfully to execute the duties of inspector or judge at such meeting with strict impartiality and according to the best of his ability. The inspectors or judges, if any, shall determine the number of shares of stock outstanding and the voting power of each, the shares of stock represented at the meeting, the existence of a quorum, and the validity and effect of proxies; receive votes, ballots, or

consents; hear and determine all challenges and questions arising in connection with the right to vote; count and tabulate all votes, ballots, or consents; determine the result; and do such other acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the person presiding at the meeting, the inspector or inspectors or judge or judges, if any, shall make a report in writing of any challenge, question, or matter determined by such person or persons and execute a certificate of any fact so found.

(i) **QUORUM.** Except as the General Corporation Law or these By-Laws may otherwise provide, the holders of a majority of the outstanding shares of stock entitled to vote shall constitute a quorum at a meeting of stockholders for the transaction of any business. The stockholders present may adjourn the meeting despite the absence of a quorum. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any shareholders.

(j) **VOTING.** Each stockholder entitled to vote in accordance with the terms of the Certificate of Incorporation and of these By-Laws, or, with respect to the issuance of preferred stock, in accordance with the terms of a resolution or resolutions of the Board of Directors providing for the issuance thereof, shall be entitled to one vote (or, in the case of preferred stock, such number of votes as is specified in the applicable resolutions of the Board of Directors providing for the issuance thereof), in person or by proxy, for each share of stock entitled to vote held by such stockholder. In the election of Directors, a plurality of the votes present at the meeting and entitled to vote on the election shall be sufficient to elect the Directors. Any other action shall be authorized by the affirmative vote of a majority of the shares by written consent or present at the meeting and entitled to vote on the subject matter, as the case may be, except where the Certificate of Incorporation or the General Corporation Law prescribes a different percentage of votes and/or a different exercise of voting power.

Voting by ballot shall not be required for corporate action except as otherwise provided by the General Corporation Law.

(k) **NOTICE OF STOCKHOLDER PROPOSAL.** At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise properly brought before the meeting by a stockholder. For business to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a stockholder's notice must be personally delivered to or mailed (by United States mail, postage pre-paid) and received by the Secretary at the principal executive offices of the Corporation not later than the later of the following dates: (1) 60 days in advance of such meeting and (2) the close of business on the tenth day following the date public disclosure of the date of such meeting is first made. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (b) the name and address, as they appear on the Corporation's books, of the stockholder proposing such business, (c) the class and number of shares of the Corporation

which are beneficially owned by the stockholder, and (d) any material interest of the stockholder in such business. Notwithstanding anything in the By-Laws to the contrary, no business shall be conducted at any annual meeting except in accordance with the procedures set forth in this paragraph (k). The Chairman of the annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the provisions of this paragraph (k), and if he should so determine, he shall so declare at the meeting and any such business not properly brought before the meeting shall not be transacted; provided, however, that any such determination by the Chairman shall be reasonable and made in good faith.

(l) **PROCEDURE FOR NOMINATIONS BY STOCKHOLDERS.** Nominations of candidates for election as directors at any meeting of stockholders called for the election of directors (an "Election Meeting") may be made by the Board of Directors or by any stockholder entitled to vote at such Election Meeting only in accordance with the procedures established by this paragraph (1). Any stockholder entitled to vote for the election of a director at an Election Meeting may nominate one or more persons for such election only if written notice of such stockholder's intent to make such nomination is given, either by personal delivery or by United States mail postage pre-paid, to the Secretary of the Corporation. Such notice must be received by the Secretary at the principal executive offices of the Corporation not later than the later of the following dates: (1) with respect to an annual meeting of stockholders, 60 days in advance of such meeting and (2) the close of business on the tenth day following the date public disclosure of the date of such meeting is first made. The written notice shall set forth (a) as to each person whom the stockholder proposes to nominate for election as director (i) the name, age, business address, and residence address of each nominee proposed in such notice, (ii) the principal occupation or employment of each such nominee, (iii) the number of shares of capital stock of the Corporation which are beneficially owned by each such nominee, and (iv) such other information concerning each such nominee as would be required under the rules of the United States Securities and Exchange Commission to be set forth in a proxy statement soliciting proxies for the election of such nominee as a director (including, without limitation, a signed consent of each such nominee to serve as a director of the Corporation, if elected) and (b) as to the stockholder giving the notice (i) the name and address, as they appear on the Corporation's books, of such stockholder and (ii) the number of shares of capital stock of the Corporation which are beneficially owned by such stockholder. At the request of the Board of Directors, any person nominated by the Board of Directors for election as a Director shall furnish to the Secretary of the Corporation that information required to be set forth in a stockholders' notice of nomination which pertains to the nominee. No person shall be eligible for election as a Director of the Corporation unless nominated in accordance with the procedures set forth in this paragraph (1). The Chairman of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures prescribed by the By-Laws, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded; provided, however, that any such determination by the Chairman shall be reasonable and made in good faith.

(m) **CONSENT OF STOCKHOLDERS IN LIEU OF MEETING.** Unless otherwise provided in the Certificate of Incorporation, any action required or permitted to be taken at any Annual or Special Meeting of Stockholders of the Corporation may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the

action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to the principal executive offices of the Corporation or with an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's principal executive office shall be by hand or by certified or registered mail, return receipt requested. Every written consent shall bear the date of signature of each stockholder who signs the consent and no written consent shall be effective to take the corporate action referred to therein unless, within sixty days of the earliest dated consent delivered in the manner required by this Section (m) to the Corporation, written consents signed by a sufficient number of holders to take action are delivered to the Corporation by delivery to its principal executive offices or to an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the Corporation as provided above in this section.

ARTICLE II DIRECTORS

1. FUNCTIONS AND DEFINITION.

The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors of the Corporation. The use of the phrase "whole Board" herein refers to the total number of Directors which the Corporation would have if there were no vacancies.

2. QUALIFICATIONS AND NUMBER.

A Director need not be a stockholder, a citizen of the United States, or a resident of the State of Delaware. The number of Directors of the Corporation shall not be less than three (3) nor more than thirteen. The first Board of Directors shall consist of six (6) members.

3. ELECTION AND TERM.

The first Board of Directors shall consist of the following members: Steven G. Singer, Sidney Levy, Raymond L. Steele, Steven A. Van Dyke, Lloyd I. Miller, and James Dondero shall hold office until the first annual meeting of stockholders and until their successors have been elected and qualified or until their earlier resignation or removal. Any Director may resign at any time upon written notice to the Corporation. Thereafter, Directors who are elected at an annual meeting of stockholders, and Directors who are elected in the interim to fill vacancies and newly created Directorships, shall hold office until the next annual meeting of stockholders and until their successors have been elected and qualified or until their earlier resignation or removal. In the interim between annual meetings of stockholders or of special meetings of stockholders called for the election of Directors and/or for the removal of one or more Directors and for the

filling of any vacancies in the Board of Directors, including vacancies resulting from the removal of Directors for cause or without cause, any vacancy in the Board of Directors may be filled by the vote of a majority of the remaining Directors then in office, although less than a quorum, or by the sole remaining Director.

4. MEETINGS.

(a) TIME. Regular meetings shall be held at such time as the Board shall fix. Special meetings may be called upon notice.

(b) FIRST MEETING. Other than the first Board, the first meeting of each newly elected Board may be held immediately after each annual meeting of the stockholders at the same place at which the meeting is held, and no notice of such meeting shall be necessary to call the meeting, provided a quorum shall be present. In the event such first meeting is not so held immediately after the annual meeting of the stockholders, it may be held at such time and place as shall be specified in the notice given as provided for special meetings of the Board of Directors, or at such time and place as shall be fixed by the consent in writing of all of the Directors.

(c) PLACE. Meetings, both regular and special, shall be held at such place within or without the State of Delaware as shall be fixed by the Board.

(d) CALL. No call shall be required for regular meetings for which the time and place have been fixed. Special meetings may be called by or at the direction of the Chairman of the Board, the President, or of a majority of the Directors.

(e) NOTICE OR ACTUAL OR CONSTRUCTIVE WAIVER. No notice shall be required for regular meetings for which the time and place have been fixed. Written, oral, or any other mode of notice of the time and place shall be given for special meetings at least three days prior to the meeting; notice may be given by telephone or telefax (in which case it is effective when given) or by mail (in which case it is effective seventy-two hours after mailing by prepaid first class mail). The notice of any meeting need not specify the purpose of the meeting. Any requirement of furnishing a notice shall be waived by any Director who signs a written waiver of such notice before or after the time stated therein. Attendance of a Director at a meeting of the Board shall constitute a waiver of notice of such meeting, except when the Director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

(f) QUORUM AND ACTION. A majority of the whole Board shall constitute a quorum except when a vacancy or vacancies prevents such majority, whereupon a majority of the Directors in office shall constitute a quorum, provided that such majority shall constitute at least one-third (1/3) of the whole Board. Any Director may participate in a meeting of the Board by means of a conference telephone or similar communications equipment by means of which all Directors participating in the meeting can hear each other, and such participation in a meeting of the Board shall constitute presence in person at such meeting. A majority of the Directors present, whether or not a quorum is present, may adjourn a meeting to another time and place. Except as herein otherwise provided, and except as otherwise provided by the General

Corporation Law, the act of the Board shall be the act by vote of a majority of the Directors present at a meeting, a quorum being present. The quorum and voting provisions herein stated shall not be construed as conflicting with any provisions of the General Corporation Law and these By-Laws which govern a meeting of Directors held to fill vacancies and newly created Directorships in the Board.

(g) CHAIRMAN OF THE MEETING. The Chairman of the Board, if any and if present and acting, shall preside at all meetings. Otherwise, the Vice-Chairman of the Board, if any and if present and acting, or the President, if present and acting, or any other Director chosen by the Board, shall preside.

5. REMOVAL OF DIRECTORS.

Any or all of the Directors may be removed for cause or without cause by the stockholders.

6. COMMITTEES.

The Board of Directors may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of one or more of the Directors of the Corporation. The Board may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it, except that committees shall have no authority to fill vacancies on the Board.

7. EXECUTIVE COMMITTEE.

(a) Appointment. The Directors at their meeting held immediately after the annual meeting of stockholders shall appoint the Chairman of the Board, the President, and such other members of their body as they shall determine in their sole discretion as an Executive Committee. During the intervals between the meetings of the Board of Directors, the Executive Committee shall possess and may exercise (subject to any regulations which the Directors may from time to time make) all the powers of the Board of Directors in the management and direction of the operations of the Corporation (except the filling of vacancies on the Board of Directors or any committee thereof and only such acts as must by law be performed by the Directors themselves) in such manner as the Executive Committee may deem best for the interests of the Corporation and its stockholders in all cases in which specific directions shall not have been given by the Board of Directors. All action by the Executive Committee shall be reported to and shall be subject to review by the Board of Directors.

(b) Chairman. The Board of Directors shall designate one of the members of the Executive Committee to be its Chairman. The Chairman of the Executive Committee shall preside at all meetings of the Executive Committee. The Chairman of the Executive Committee shall perform such other duties as may be designated by the Board of Directors.

(c) Meetings. The Executive Committee shall meet either telephonically or at the office of the Corporation at such times as they shall by resolution appoint, and may meet at any other time or place on the call of the Chairman.

(d) Notice of Meeting. Notice of meetings of the Executive Committee shall be given to each member by the Chairman at least five days before the meeting.

(e) Waiver of Notice. If any meeting of the Executive Committee at which all of the members are present, though held without notice, any and all business may be transacted in the same manner as if due notice had been given.

(f) Quorum. A majority of the members of the Executive Committee shall constitute a quorum. The act of the Executive Committee shall be the act by vote of a majority of the members present at a meeting, a quorum being present.

(g) Rules. The Executive Committee may from time to time adopt rules for its procedures not in conflict with the Certificate of Incorporation, By-Laws of the Corporation, or the actions taken by the Board of Directors.

(h) Vacancies. The Board of Directors shall have the power at any time to fill vacancies in, change the membership of, or to dissolve the Executive Committee.

8. ACTION IN WRITING.

Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

ARTICLE III OFFICERS

1. EXECUTIVE OFFICERS.

The Board of Directors may elect or appoint a Chairman of the Board of Directors, a President, one or more Vice Presidents (which may be denominated with additional descriptive titles), a Secretary, one or more Assistant Secretaries, a Treasurer, one or more Assistant Treasurers and such other officers as it may determine. Any number of offices may be held by the same person.

2. TERM OF OFFICE: REMOVAL.

Unless otherwise provided in the resolution of election or appointment, each officer shall hold office until the meeting of the Board of Directors following the next annual meeting of stockholders and until such officer's successor has been elected and qualified or until the earlier

resignation or removal of such officer. The Board of Directors may at any time remove any officer for cause or without cause.

3. AUTHORITY AND DUTIES.

All officers, as between themselves and the Corporation, shall have such authority and perform such duties in the management of the Corporation as may be provided in these By-Laws, or, to the extent not so provided, by the Board of Directors.

4. THE CHAIRMAN OF THE BOARD OF DIRECTORS.

The Chairman of the Board of Directors, if present and acting, shall preside at all meetings of the Board of Directors, otherwise, the President, if present, shall preside, or if the President does not so preside, any other Director chosen by the Board shall preside. The Chairman of the Board of Directors shall be the chief executive officer of the Corporation.

5. THE PRESIDENT.

The President shall be the chief operating officer of the Corporation.

6. VICE PRESIDENTS.

Any Vice President that may have been appointed, in the absence or disability of the President, shall perform the duties and exercise the powers of the President, in the order of their seniority, and shall perform such other duties as the Board of Directors shall prescribe.

7. THE SECRETARY.

The Secretary shall keep in safe custody the seal of the Corporation and affix it to any instrument when authorized by the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors. The Secretary (or in such officer's absence, an Assistant Secretary, but if neither is present another person selected by the Chairman for the meeting) shall have the duty to record the proceedings of the meetings of the stockholders and Directors in a book to be kept for that purpose.

8. THE TREASURER.

The Treasurer shall have the care and custody of the corporate funds, and other valuable effects, including securities, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all transactions as Treasurer and of the financial condition of the Corporation. If required by the Board of Directors, the Treasurer shall give the Corporation a bond for such term, in such sum and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of such office and for the restoration to the

Corporation, in case of such person's death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in such person's possession or under such person's control belonging to the Corporation.

ARTICLE IV CORPORATE SEAL AND CORPORATE BOOKS

The corporate seal shall be in such form as the Board of Directors shall prescribe. The books of the Corporation may be kept within or without the State of Delaware, at such place or places as the Board of Directors may, from time to time, determine.

ARTICLE V FISCAL YEAR

The fiscal year of the Corporation shall be fixed, and shall be subject to change, by the Board of Directors. Initially, the fiscal year shall be the year ended December 31.

ARTICLE VI INDEMNITY

(a) Any person who was or is a party or threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a Director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise (including employee benefit plans) (hereinafter, an "indemnitee"), shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification than permitted prior thereto), against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such indemnitee in connection with such action, suit, or proceeding, if the indemnitee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful. The termination of the proceeding, whether by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe such conduct was unlawful.

(b) Any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a Director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another Corporation, partnership, joint venture, trust, or other enterprise (including employee benefit plans) shall be, indemnified and held harmless by the Corporation to

the fullest extent authorized by the General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification than permitted prior thereto), against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court in which such suit or action was brought, shall determine, upon application, that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

(c) All reasonable expenses incurred by or on behalf of the indemnitee in connection with any suit, action, or proceeding, shall be advanced to the indemnitee by the Corporation to the extent permitted under the General Corporation Law.

(d) The rights to indemnification and to advancement of expenses conferred in this article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Certificate of Incorporation, a By-Law of the Corporation, agreement, vote of stockholders or disinterested Directors, or otherwise.

(e) The indemnification and advancement of expenses provided by this article shall continue as to a person who has ceased to be a Director or officer or who has ceased to serve at the request of the Corporation as a director, officer, employee, or agent of another Corporation, partnership, joint venture, trust, or other enterprise (including employee benefit plans) and shall inure to the benefit of the heirs, executors, and administrators of such person.

(f) The provisions of this Article VI shall not be deemed to preclude the indemnification of any person who is not specified in paragraphs (a) or (b) of this Article VI but whom the Corporation has the power or obligation to indemnify under the provisions of the General Corporation Law or otherwise.

ARTICLE VII AMENDMENTS

The By-Laws may be amended, added to, rescinded, or repealed at any meeting of the Board of Directors or of the stockholders, provided that notice of the proposed change was given in the notice of the meeting; provided, however, that only stockholders of the Company may amend or repeal any By-Laws adopted by such stockholders.

EXHIBIT B
TO
DEBTOR'S PLAN OF REORGANIZATION
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF
REORGANIZED AMERICAN BANKNOTE CORPORATION

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
AMERICAN BANKNOTE CORPORATION

1. The name of the corporation is American Banknote Corporation.
2. The original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on June 29, 1993.
3. The original Certificate of Incorporation was amended on June 6, 1995 to change the name of the Corporation from United States Banknote Corporation to American Banknote Corporation, effective as of July 1, 1995.
4. The original Certificate of Incorporation was amended and restated on September 22, 2002, in connection with the Corporation's plan of reorganization dated December 8, 1999, as amended on September 12, 2000, August 17, 2000, September 12, 2000, November 3, 2000, May 24, 2002, and July 17, 2002 (the "First Reorganization Plan"), and was duly adopted in accordance with the provisions of sections 242, 245, and 303 of the General Corporation Law of the State of Delaware ("Delaware Corporation Law"). The United States Bankruptcy Court for the Southern District of New York confirmed the Reorganization Plan by an order entered August 22, 2002.
5. This Restated Certificate of Incorporation, which amends and restates the Certificate of Incorporation, as amended, is being filed in connection with the Corporation's reorganization plan, dated January 18, 2005 (as such plan may be amended, supplemented, or modified from time to time, the "Second Reorganization Plan"), and was duly adopted in accordance with the provisions of sections 242, 245, and 303 of the Delaware Corporation Law. The United States Bankruptcy Court for the District of Delaware confirmed the Second Reorganization Plan by an order entered _____, 2005.
6. The Restated Certificate of Incorporation of the corporation is hereby amended and restated so as to read in its entirety as follows:

FIRST : The name of the corporation is American Banknote Corporation (hereinafter, the "Corporation").

SECOND : The address, including street, number, city, and county, of the registered office of the Corporation in the State of Delaware is The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801, County of New Castle, and the name of the

registered agent of the Corporation in the State of Delaware at such address is The Corporation Trust Company.

THIRD : The nature of the business and of the purposes to be conducted and promoted by the Corporation are to conduct any lawful business, to promote any lawful purpose, and to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH : The Corporation shall have the authority to issue 35,000,000 shares of common stock ("Common Stock"), each of such shares of Common Stock with a par value of one cent (\$0.001).

FIFTH : The holders of shares of Common Stock shall be entitled to one (1) vote per share on all issues submitted to stockholders entitled to vote thereon. The Corporation shall not issue any nonvoting equity securities to the extent prohibited by section 1123 of title 11 of the United States Code (the "Bankruptcy Code") as in effect on the effective date of the Second Reorganization Plan; *provided, however*, that this Article FIFTH will have no further force and effect beyond that required under section 1123 of the Bankruptcy Code, will have such force and effect, if any, only for so long as such section of the Bankruptcy Code is in effect and applicable to the Corporation, and in all events may be amended or eliminated in accordance with such applicable law as from time to time may be in effect.

SIXTH : Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this Corporation under the provisions of Section 291 of the Delaware Corporation Law or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of Section 279 of the Delaware Corporation Law, order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders, of this Corporation, as the case may be, to be summoned in such manner as such court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as a consequence of such compromise or arrangement, such compromise or arrangement and such reorganization shall, if sanctioned by the court to which such application has been made, be binding on all the creditors or class of creditors and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also upon this Corporation.

SEVENTH : The number of directors of the Corporation shall be fixed from time to time exclusively by the Board of Directors in accordance with the By-Laws of the Corporation.

EIGHTH : In furtherance and not in limitation of powers conferred by law, subject to any limitations contained elsewhere in this Restated Certificate of Incorporation, By-laws of the Corporation may be adopted, amended, or repealed by a majority of the Board of Directors of the

Corporation, but any By-laws adopted by the Board of Directors may also be amended or repealed by the stockholders entitled to vote thereon.

NINTH : To the fullest extent that the Delaware Corporation Law, as it exists on the date hereof or as it may hereafter be amended, permits the limitation or elimination of the liability of directors, no director of this Corporation shall be personally liable to this Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. Notwithstanding the foregoing, a director shall be liable to the extent provided by applicable law (a) for any breach of the directors' duty of loyalty to the Corporation or its stockholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) under Section 174 of the Delaware Corporation Law, or (d) for any transaction from which the director derived any improper personal benefit. Neither the amendment or repeal of this Article, nor the adoption of any provision of this Certificate of Incorporation inconsistent with this Article, shall adversely affect any right or protection of a director of the Corporation existing at the time of such amendment or repeal.

TENTH : The Corporation shall, to the fullest extent permitted by Section 145 of the Delaware Corporation Law, as the same may be amended and supplemented, or by any successor thereto, indemnify any officer or director of the Corporation from and against any and all of the expenses, liabilities, or other matters referred to in or covered by such section. The Corporation shall advance expenses to any officer or directors of the Corporation to the fullest extent permitted by said section. Such right to indemnification and advancement of expenses shall continue as to a person who has ceased to be an officer or director and shall inure to the benefit of the heirs, executors, and administrators of such a person. The indemnification and advancement of expenses provided for herein shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any By-Law, agreement, vote of stockholders or disinterested directors, or otherwise.

ELEVENTH : The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was or has agreed to become a director, officer, employee, or agent of the Corporation against any liability asserted against him or her and incurred by him or her or on his or her behalf in such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability.

TWELFTH : In addition to the powers and authority hereinbefore or by statute expressly conferred upon them, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, subject, nevertheless, to the provisions of the Delaware Corporation Law, this Certificate of Incorporation and any By-Laws adopted by the stockholders, provided, however, that no By-Laws hereafter adopted by the stockholders shall invalidate any prior act of the directors which would have been valid if such By-Laws had not been adopted.

THIRTEENTH : Meetings of stockholders may be held within or without the State of Delaware as the By-Laws may provide. The books of the Corporation may be kept (subject to any provision contained in the Delaware Corporation Law) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the By-Laws of the Corporation.

FOURTEENTH : The Corporation reserves the right to amend, alter, change, or repeal any provision contained in this Certificate of Incorporation, and any other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted in the manner now or hereafter provided herein or by statute, and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors, or any other persons whomsoever by and pursuant to this Certificate of Incorporation in its present form or as amended are granted subject to the rights reserved in this Article FOURTEENTH.

IN WITNESS WHEREOF, American Banknote Corporation has caused this Amended and Restated Certificate of Incorporation to be signed by Patrick J. Gentile, its Executive Vice President and Chief Financial Officer, this ___th day of _____, 2005.

AMERICAN BANKNOTE CORPORATION

Name: Patrick J. Gentile
Title: Executive Vice President &
Chief Financial Officer

EXHIBIT C
TO
DEBTOR'S PLAN OF REORGANIZATION
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

STOCK INCENTIVE PLAN