

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re: ) Chapter 11  
)  
YOUNG BROADCASTING INC., *et al.*, ) Case No. 09-10645 (AJG)  
)  
Debtors. ) (Jointly Administered)

**OFFICIAL COMMITTEE OF UNSECURED CREDITORS' JOINT PLAN OF  
REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

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The Official Committee of Unsecured Creditors (the “Creditors’ Committee”) of Young Broadcasting Inc. and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”), hereby propose the following joint plan of reorganization under section 1121(a) of the Bankruptcy Code.

Reference is made to the Disclosure Statement accompanying this Plan, including the exhibits and supplements thereto, for a discussion of the Debtors’ history, business, properties, results of operations, and projections for future operations and risk factors, together with a summary and analysis of this Plan. All Claim and Interest holders entitled to vote on this Plan are encouraged to consult the Disclosure Statement and its exhibits and supplements and to read this Plan carefully before voting to accept or reject this Plan.

NO SOLICITATION MATERIALS, OTHER THAN THE DISCLOSURE STATEMENT AND RELATED MATERIALS TRANSMITTED THEREWITH AND APPROVED BY THE COURT, HAVE BEEN AUTHORIZED BY THE COURT FOR USE IN SOLICITING ACCEPTANCES OR REJECTIONS OF THIS PLAN.

**I.**  
**DEFINITIONS AND CONSTRUCTION OF TERMS**

**A. Definitions.**

Unless otherwise defined herein, or the context otherwise requires, the following terms shall have the respective meanings set forth below:

<b>Term</b>	<b>Definition</b>
<i>8¾% Indenture Trustee</i>	U.S. Bank National Association, and any successor, as indenture trustee under the 8¾ Indenture.
<i>10% Indenture Trustee</i>	U.S. Bank National Association, and any successor, as indenture trustee under the 10% Indenture.
<i>8¾% Note Indenture</i>	That certain Indenture dated December 23, 2003 between Young Broadcasting Inc. (and the Guarantors identified therein) and U.S. Bank National Association, as indenture trustee.
<i>8¾% Senior Subordinated Notes</i>	The \$140 million 8¾% Senior Subordinated Notes due 2014, issued by Young Broadcasting Inc. pursuant to the 8¾% Note Indenture.
<i>8¾% Senior Subordinated Note Claims</i>	Claims of Holders of 8¾% Senior Subordinated Notes.
<i>10% Note Indenture</i>	That certain Indenture dated March 1, 2001 between Young Broadcasting Inc. (and the Guarantors identified therein) and U.S. Bank National Association, as indenture trustee.
<i>10% Senior Subordinated Notes</i>	The \$500 million 10% Senior Subordinated Notes due 2011, issued by Young Broadcasting Inc. pursuant to the 10% Note Indenture.
<i>10% Senior Subordinated Note Claims</i>	Claims of Holders of 10% Senior Subordinated Notes.
<i>Act</i>	The Communications Act of 1934, as amended and the rules and regulations of the FCC thereunder.
<i>Administrative Claim</i>	A Claim for costs and expenses of administration of the Estates under sections 503(b), 507(b) or 1114(e)(2) of the Bankruptcy Code, including, without limitation, for: (a) the actual and necessary costs and expenses incurred after the Petition Date of preserving the respective Estates and operating the businesses of the Debtors; (b) Allowed Claims of Retained Professionals in the Chapter 11 Cases; and (c) all fees and charges assessed against the Estates under chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1911-1930.

<b>Term</b>	<b>Definition</b>
<b><i>Administrative Claims Bar Date</i></b>	Has the meaning set forth in Article III.B of the Plan.
<b><i>Affiliate</i></b>	As defined in section 101(2) of the Bankruptcy Code.
<b><i>Allowed</i></b>	With respect to any Claim, except as otherwise provided herein: (a) a Claim that is scheduled by the Debtors in their Schedules as neither disputed, contingent nor unliquidated and for which the claim amount has not been identified as unknown and as to which Debtors or other party in interest has not filed an objection by the Claims Objection Bar Date; (b) a Claim that either is not a Disputed Claim or has been allowed by a Final Order; (c) a Claim that is allowed: (i) pursuant to the Plan; (ii) in any stipulation of amount and nature of Claim executed prior to the Confirmation Date and approved by the Bankruptcy Court; (iii) in any stipulation with the Debtors of amount and nature of Claim executed on or after the Confirmation Date and approved by the Bankruptcy Court; or (iv) in or pursuant to any contract, instrument, indenture or other agreement entered into or assumed in connection herewith; (d) a Claim relating to a rejected Executory Contract or Unexpired Lease that either (i) is not a Disputed Claim or (ii) has been allowed by a Final Order, in either case only if a proof of Claim has been Filed by the applicable bar date or has otherwise been deemed timely filed under applicable law; or (e) a Disputed Claim as to which a proof of Claim has been timely filed and as to which no objection has been filed by the Claims Objection Bar Date.
<b><i>Amended and Restated By-Laws</i></b>	The Amended and Restated By-Laws of the Reorganized Company, which shall be in substantially the form contained in the Plan Supplement.
<b><i>Amended and Restated Certificate of Incorporation</i></b>	The Amended and Restated Certificate of Incorporation of the Reorganized Company, which shall be in substantially the form contained in the Plan Supplement.

<b>Term</b>	<b>Definition</b>
<b><i>Backstop Parties</i></b>	American Funds Insurance Series – High-Income Bond Fund; American High Income Trust; Evergreen High Income Fund; Evergreen Income Advantage Fund; Evergreen Multi Sector Income Fund; Evergreen VA High Income Fund; GLC Recovery Fund, LLC; The Income Fund of America, Inc.; Lenado Partners, Series A of Lenado Capital Partners, or the designee(s) or approved assigns of any of the foregoing.
<b><i>Ballots</i></b>	The ballots distributed with the Disclosure Statement to those that are entitled to vote on the Plan upon which is to be indicated, among other things, acceptance or rejection of the Plan.
<b><i>Bankruptcy Code</i></b>	Title 11 of the United States Code, 11 U.S.C. §§ 101 <i>et seq.</i> , as in effect on the Petition Date or as otherwise applicable to these Chapter 11 Cases.
<b><i>Bankruptcy Court</i></b>	The United States Bankruptcy Court for the Southern District of New York, having jurisdiction over the Chapter 11 Cases and, to the extent of the withdrawal of any reference under section 157 of title 28 of the United States Code and/or the General Order of the District Court pursuant to section 151 of title 28 of the United States Code, the United States District Court for the Southern District of New York.
<b><i>Bankruptcy Rules</i></b>	The Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under 28 U.S.C. § 2075, and the general, local and chambers rules of the Bankruptcy Court.
<b><i>Bar Date</i></b>	(i) with respect to all Claims other than Administrative Claims, the applicable deadline established pursuant to the Bar Date Order or such other deadline as has been granted by order of the Court with respect to one or more holders of Claims, by which proofs of Claim of the type described in such order must be filed in the Chapter 11 Cases and (ii) with respect to Administrative Claims, the Administrative Claims Bar Date.
<b><i>Bar Date Order</i></b>	That certain order, entered by the Court on April 30, 2009 [Docket No. 324], establishing the Bar Date with respect to the Claims described therein, which do not include Administrative Claims.

<b>Term</b>	<b>Definition</b>
<b><i>Business Day</i></b>	Any day, other than a Saturday, Sunday or “legal holiday” (as defined in Bankruptcy Rule 9006(a)).
<b><i>Cash</i></b>	The legal tender of the United States of America or the equivalent thereof, including bank deposits, checks and equivalents.
<b><i>Cash Collateral</i></b>	Shall have the meaning given such term in section 363(a) of the Bankruptcy Code.
<b><i>Causes of Action</i></b>	All actions, causes of action, Claims, liabilities, obligations, rights, suits, debts, damages, judgments, remedies, demands, setoffs, defenses, recoupments, crossclaims, counterclaims, third-party claims, indemnity claims, contribution claims or any other claims disputed or undisputed, suspected or unsuspected, foreseen or unforeseen, direct or indirect, choate or inchoate, existing or hereafter arising, in law, equity or otherwise, based on whole or in part upon any act or omission or other event occurring prior to the Petition Date or during the course of the Chapter 11 Cases, including through the Plan Effective Date.
<b><i>Chapter 11 Cases</i></b>	(a) When used with reference to a particular Debtor, the chapter 11 case for that Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court and (b) when used with reference to all Debtors, the procedurally consolidated chapter 11 cases for all of the Debtors.
<b><i>Claim</i></b>	Any claim against a Debtor as defined in section 101(5) of the Bankruptcy Code.
<b><i>Claims Objection Bar Date</i></b>	The date that is six months after the Plan Effective Date.
<b><i>Class</i></b>	Each category or group of Claims or Equity Interests as classified or designated in Article II of this Plan.

<b>Term</b>	<b>Definition</b>
<b><i>Class A New Common Stock</i></b>	_____ shares of common stock in the Reorganized Company, par value [\$.01] per share, to be authorized pursuant to the Reorganized Company charter, of which up to _____ shares shall be initially issued on the Plan Effective Date pursuant to the Plan to Holders of Allowed Class 6 Claims
<b><i>Class B New Common Stock</i></b>	_____ shares of common stock in the Reorganized Company, par value [\$.01] per share, to be authorized pursuant to the Reorganized Company charter, which shares shall be issued on the Plan Effective Date pursuant to the Plan to Vincent Young and which shall be subject to restrictions on transfer so as to avoid triggering a default under the Credit Agreement.
<b><i>Collateral</i></b>	Any property or interest in property of the Estates subject to a Lien to secure the payment or performance of a Claim, which Lien has not been avoided or is not subject to avoidance under the Bankruptcy Code or otherwise invalid under the Bankruptcy Code or applicable state law.
<b><i>Confirmation</i></b>	The entry of the Confirmation Order on the docket of the Chapter 11 Cases, subject to all conditions specified having been: (a) satisfied; or (b) waived.
<b><i>Confirmation Date</i></b>	The date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.
<b><i>Confirmation Hearing</i></b>	The hearing to consider Confirmation of the Plan pursuant to section 1128 of the Bankruptcy Code, as it may be adjourned or continued from time to time.

<b>Term</b>	<b>Definition</b>
<b><i>Confirmation Order</i></b>	The order of the Bankruptcy Court confirming the Plan pursuant to, among others, section 1129 of the Bankruptcy Code.
<b><i>Consummation</i></b>	The occurrence of the Plan Effective Date.
<b><i>Credit Agreement</i></b>	That certain Fourth Amended and Restated Credit Agreement, dated May 3, 2005 (as amended by that certain First Amendment to Credit Agreement, dated May 30, 2006, and as further amended, restated, supplemented or otherwise modified from time to time), among Young Broadcasting Inc., the Prepetition Lenders and Prepetition Agent
<b><i>Creditor</i></b>	Any Holder of a Claim.
<b><i>Creditors' Committee</i></b>	The Official Committee of Unsecured Creditors appointed in the Debtors' Chapter 11 Cases on February 26, 2009, by the Office of the United States Trustee, pursuant to section 1102(a) of the Bankruptcy Code, as constituted from time to time.
<b><i>Debtor</i></b>	One of the Debtors, in its individual capacity as a debtor in the Chapter 11 Cases.
<b><i>Debtors</i></b>	Collectively, Young Broadcasting Inc.; Young Broadcasting of Lansing, Inc.; Young Broadcasting of Louisiana, Inc.; Young Broadcasting of Nashville, LLC; Young Broadcasting of Albany, Inc.; Young Broadcasting of Richmond, Inc.; Young Broadcasting of Knoxville, Inc.; Young Broadcasting of Green Bay, Inc.; Young Broadcasting of Davenport, Inc.; Young Broadcasting of Sioux Falls, Inc.; Young Broadcasting of Rapid City, Inc.; Young Broadcasting of San Francisco, Inc.; Young Broadcasting of Nashville, Inc.; Young Broadcasting of Los Angeles, Inc.; Young Broadcasting Shared Services, Inc.; Adam Young Inc.; WKRN, G.P.; WATE, G.P.; KLFY, L.P.; YBT, Inc.; YBK, Inc.; LAT, Inc.; Winnebago Television Corporation; Fidelity Television, Inc.; and Honey Bucket Films, Inc.
<b><i>Debtors in Possession</i></b>	The Debtors in their capacity as debtors in possession in the Chapter 11 Cases pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

<b>Term</b>	<b>Definition</b>
<b><i>Disclosure Statement</i></b>	The Debtors' disclosure statement dated October 8, 2009, as supplemented by the Creditors' Committee supplement thereto dated October 9, 2009 describing the Plan, and as further amended, supplemented or modified from time to time, that is prepared and distributed in accordance with, among others, sections 1125, 1126(b) and 1145 of the Bankruptcy Code, Bankruptcy Rule 3018 and other applicable law.
<b><i>Disputed Claim</i></b>	(a) If no proof of Claim has been filed by the applicable Claims Objection Bar Date or has otherwise been deemed timely filed under applicable law: (i) a Claim that is listed on a Debtor's Schedules as other than disputed, contingent or unliquidated, but as to which the applicable Debtor or Reorganized Debtor or, prior to the Confirmation Date, any other party in interest, has filed an objection by the Claims Objection Bar Date, and such objection has not been withdrawn or denied by a Final Order; or (ii) a Claim that is listed on a Debtor's Schedules as disputed, contingent or unliquidated; or (b) if a proof of Claim or request for payment of an Administrative Claim has been filed by the applicable Bar Date or has otherwise been deemed timely filed under applicable law: (i) a Claim for which no corresponding Claim is listed on a Debtor's Schedules; (ii) a Claim for which a corresponding Claim is listed on a Debtor's Schedules as other than disputed, contingent or unliquidated, but the nature or amount of the Claim as asserted in the proof of Claim varies from the nature and amount of such Claim as it is listed on the Schedules; (iii) a Claim for which a corresponding Claim is listed on a Debtor's Schedules as disputed, contingent or unliquidated; or (iv) a Claim for which an objection has been filed by the applicable Debtor or Reorganized Debtor or, prior to the Confirmation Date, any other party in interest, by the Claims Objection Bar Date, and such objection has not been withdrawn or denied by a Final Order.
<b><i>Distributions</i></b>	The Cash or other distributions to be made pursuant to, and in accordance with, this Plan.
<b><i>Employment Agreements</i></b>	Employment agreements, contingent on the occurrence of the Plan Effective Date, with the existing Chief Executive Officer, President/Chief Operating Officer and Chief Financial Officer, which shall be in substantially the form contained in the Plan Supplement.

<b>Term</b>	<b>Definition</b>
<b><i>Entity</i></b>	An entity as defined in section 101(15) of the Bankruptcy Code.
<b><i>Equity Commitment Agreement</i></b>	The Equity Commitment Agreement dated [    ], 2009, between the Debtors, Creditors' Committee and each of the Backstop Parties, attached as Exhibit 2 to the Disclosure Statement.
<b><i>Equity Interest</i></b>	Any share of common stock, preferred stock or other instrument evidencing an ownership interest in a Debtor, whether or not transferable, and any option, warrant or right, contractual or otherwise, to acquire any such interest in a Debtor that existed immediately prior to the Plan Effective Date, <u>provided</u> , <u>however</u> , that Equity Interest does not include any Intercompany Interest.
<b><i>Estate</i></b>	As to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.
<b><i>Exculpated Parties</i></b>	(a) The Debtors; (b) the Reorganized Company; (c) the Backstop Parties (d) the Prepetition Lenders, (e) the Prepetition Agent, (f) the Creditors' Committee, and (g) all of the officers, directors, employees, members, attorneys, actuaries, financial advisors, accountants, investment bankers, agents, professionals and representatives of each of the foregoing Entities (in each case in his, her or its capacity as such).
<b><i>Executory Contract</i></b>	A contract to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.
<b><i>Existing Common Stock</i></b>	The common stock, par value \$0.01 per share, issued by Young Broadcasting Inc. and outstanding immediately prior to the Plan Effective Date.
<b><i>Expiration Time</i></b>	Means 4:00 p.m. (Prevailing Eastern Time) on December 11, 2009, or such later date as the Committee, subject to the approval of the Backstop Parties, may specify in a notice before 9:00 a.m. New York City time on the Business Day before the then-effective Expiration Time.

<b>Term</b>	<b>Definition</b>
<b><i>FCC Consent</i></b>	An order or decision of the Federal Communications Commission granting its consent to the transfer or control of the FCC Licenses to the holders of the New Common Stock.
<b><i>Fee Claims</i></b>	An Administrative Claim under sections 330(a), 331 or 503 of the Bankruptcy Code for compensation of a Professional or other Person for services rendered or expenses incurred in the Chapter 11 Cases on or prior to the Confirmation Date, including the reasonable non-legal expenses of the individual members of the Creditors' Committee incurred in the discharge of their duties as members of the Creditors' Committee, but excluding any Substantial Contribution Claims, fees and expenses to be paid under the Credit Agreement and adequate protection payments made pursuant to the Bankruptcy Court's cash collateral order dated March 4, 2009 [Docket No. 65].
<b><i>Final Order</i></b>	An order or judgment of the Bankruptcy Court, or other court of competent jurisdiction with respect to the subject matter, as entered on the docket in any Chapter 11 Case or the docket of any court of competent jurisdiction, that has not been reversed, stayed, modified or amended, and as to which the time to appeal, or seek certiorari or move for a new trial, reargument or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been timely filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument or rehearing will have been denied, resulted in no modification of such order or has otherwise been dismissed with prejudice.
<b><i>General Unsecured Claim</i></b>	Any unsecured Claim against any Debtor that is not an Other Priority Claim, 8¾% Senior Subordinated Note Claim, 10% Senior Subordinated Note Claim or Intercompany Claim.
<b><i>Government</i></b>	Has the meaning set forth in Article VII.K.1 of the Plan.

<b>Term</b>	<b>Definition</b>
<b><i>Holder</i></b>	An Entity holding an Interest or Claim.
<b><i>HSR Act</i></b>	The Hart-Scott-Rodino Antitrust Improvements Act of 1976.
<b><i>Impaired</i></b>	Claims in an Impaired Class.
<b><i>Impaired Class</i></b>	An impaired Class within the meaning of section 1124 of the Bankruptcy Code.
<b><i>Indenture Trustee Charging Lien</i></b>	A lien that secures repayment of the Indenture Trustees' fees and expenses, to the extent provided for in the Prepetition Indentures.
<b><i>Indenture Trustee Expenses</i></b>	Any reasonable fees and documented out-of-pocket costs and expenses incurred after the Petition Date and through and including the Initial Distribution Date by the Indenture Trustees under the Prepetition Indentures, the amount or reasonableness of which shall, if disputed by the Debtors, be determined by the Court. Such amounts may include, without limitation, the reasonable, documented, out-of-pocket costs and expenses of, and reasonable, documented unpaid legal fees and expenses actually incurred by, the Indenture Trustees.
<b><i>Indenture Trustees</i></b>	Collectively, the 8¾% Indenture Trustee and the 10% Indenture Trustee
<b><i>Initial Distribution Date</i></b>	The Plan Effective Date or as soon thereafter as is practicable.
<b><i>Intercompany Claim</i></b>	A Claim in a Debtor held by another Debtor or a Claim in a Debtor held by an Affiliate of the Debtors.

<b>Term</b>	<b>Definition</b>
<b><i>Intercompany Interest</i></b>	The legal, equitable, contractual, and other rights of any Debtor or Affiliate of the Debtors with respect to the common stock or any other equity securities of, or ownership interests in another Debtor.
<b><i>Interest</i></b>	Collectively, Equity Interests and Intercompany Interests.
<b><i>Lien</i></b>	Has the meaning set forth in section 101(37) of the Bankruptcy Code.
<b><i>Management and Director Equity Incentive Plan</i></b>	A director and officer compensation incentive plan, administered by the Reorganized Company's board of directors, providing for New Common Stock equal to 10%, on a fully-diluted basis, to be reserved for issuance as grants of equity, restricted stock or options, which shall be in substantially the form contained in the Plan Supplement.
<b><i>New Board</i></b>	The initial board of directors of Reorganized Company.
<b><i>New Common Stock</i></b>	Class A New Common Stock and Class B New Common Stock
<b><i>Ordinary Course Administrative Claims</i></b>	Administrative Claims against the Debtors that represent liabilities (a) to a seller of goods or services on account of such seller's post-petition provision of goods and/or services and (b) that were otherwise incurred in the ordinary course of business by the Debtors.

<b>Term</b>	<b>Definition</b>
<b><i>Other Priority Claims</i></b>	Any and all Claims accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than a Priority Tax Claim.
<b><i>Other Secured Claims</i></b>	Any secured Claim, other than a Prepetition Lender Claim.
<b><i>Pension Plan</i></b>	The defined benefit plan covering the IBEW Local 45 of KRON-TV employees as described in the Debtors' 2009 Form 10-K as filed with the SEC.
<b><i>Person</i></b>	A person as defined in section 101(41) of the Bankruptcy Code.
<b><i>Petition Date</i></b>	The date on which the Debtors commenced the Chapter 11 Cases, February 13, 2009.
<b><i>Plan</i></b>	This joint plan of reorganization under chapter 11 of the Bankruptcy Code, as it may be altered, amended, modified or supplemented from time to time in accordance with the terms hereof, the Plan Supplement and the Bankruptcy Code or the Bankruptcy Rules.
<b><i>Plan Effective Date</i></b>	The day that is the first Business Day after the Confirmation Date on which: (a) no stay of the Confirmation Order is in effect; and (b) all conditions precedent to the Plan Effective Date have been satisfied or waived.
<b><i>Plan Supplement</i></b>	The compilation of documents and forms of documents, schedules and exhibits to be filed no later than five (5) Business Days prior to the hearing at which the Bankruptcy Court considers whether to confirm the Plan, as may thereafter be altered, amended, modified or supplemented from time to time in accordance with the terms hereof and in accordance with the Bankruptcy Code and the Bankruptcy Rules, comprising, without limitation, the following documents: (a) new organizational documents; (b) to the extent known, the identity of New Board members and the nature of any compensation for any member of the New Board who is an "insider" under the Bankruptcy Code; (c) the list of Executory Contracts and Unexpired Leases to be assumed; (d) the list of Executory Contracts and Unexpired Leases to be rejected; (e) any shareholders agreement; (f) the Employment Agreements for executives of the Debtors; and (g) the Management and Director Equity Incentive Plan.

<b>Term</b>	<b>Definition</b>
<b><i>Preferred Stock</i></b>	_____ shares of preferred stock in the Reorganized Company, senior in priority to New Common Stock, [ ], to be authorized pursuant to the Reorganized Company charter, 100% of which shall be distributed to the Rights Offering participants.
<b><i>Prepetition Agent</i></b>	Wachovia Bank, National Association as Administrative Agent and Collateral Agent on behalf of each Prepetition Lender.
<b><i>Prepetition Lender</i></b>	Those parties that are lenders under the Credit Agreement.
<b><i>Prepetition Lender Claim</i></b>	Claim of Prepetition Lenders under the Credit Agreement.
<b><i>Prepetition Indentures</i></b>	Collectively, the 8¾ % Note Indenture and the 10% Note Indenture.
<b><i>Priority Tax Claim</i></b>	Any and all Claims of a governmental unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.
<b><i>pro rata</i></b>	Means, with respect to any Claim, at any time, the proportion that the amount of a Claim in a particular Class bears to the aggregate amount of all Claims (including Disputed Claims) in such Class, unless in each case the Plan provides otherwise.
<b><i>Qualified Institutional Buyer</i></b>	Has the meaning ascribed to it in Rule 144A promulgated under the Securities Act.
<b><i>Reorganized Company</i></b>	Young Broadcasting Inc., a Delaware corporation, or any successor thereto, by merger, consolidation or otherwise, on or after the Plan Effective Date.
<b><i>Retained Professional</i></b>	An Entity: (a) employed in these Chapter 11 Cases pursuant to a Final Order in accordance with sections 327 and 1103 of the Bankruptcy Code and to be compensated for services rendered prior to the Plan Effective Date, pursuant to sections 327, 328, 329, 330 and 331 of the Bankruptcy Code; or (b) for which compensation and reimbursement has been allowed by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.
<b><i>Rights</i></b>	Has the meaning set forth in Article VI.A. of the Plan.

<b>Term</b>	<b>Definition</b>
<b><i>Rights Offering</i></b>	That certain \$38 million Class A New Common Stock rights offering backstopped by the Backstop Parties, the terms of which are set forth in the Equity Commitment Agreement.
<b><i>Rights Offering Commencement Date</i></b>	The date upon which the Rights Offering shall become exercisable which shall be the later of three (3) Business Days after the Bankruptcy Court approves solicitation of the Disclosure Statement or the date the Rights Exercise Form is distributed.
<b><i>Rights Offering Documents</i></b>	Collectively, the documents necessary for effectuating the Rights Offering.
<b><i>Scheduled</i></b>	With respect to any Claim or Equity Interest, the status and amount, if any, of such Claim or Equity Interest as set forth in the Schedules.
<b><i>Schedules</i></b>	The schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases and statements of financial affairs filed by the Debtors pursuant to section 521 of the Bankruptcy Code and in substantial accordance with the Official Bankruptcy Forms, as the same may have been amended, modified or supplemented from time to time.
<b><i>SEC</i></b>	The United States Securities and Exchange Commission.
<b><i>Secured Claim</i></b>	A Claim that is secured by a Lien on Collateral, to the extent of the value (as of the Effective Date or such other date as may be established by the Court) of such Collateral determined by a Final Order of the Court pursuant to section 506 of the Bankruptcy Code or as otherwise agreed upon in writing by the Debtors and the holder of such Claim.
<b><i>Securities Act</i></b>	The Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.
<b><i>Substantial Contribution Claim</i></b>	A claim by any Professional, Creditor or party in interest for reasonable compensation for services or reasonable expenses incurred in connection with the Chapter 11 Cases pursuant to sections 503(b)(3)(D) or (b)(4) of the Bankruptcy Code.

<b>Term</b>	<b>Definition</b>
<i><b>Unexpired Lease</b></i>	A lease of non-residential real property to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.
<i><b>Unimpaired</b></i>	Claims in an Unimpaired Class.
<i><b>Unimpaired Class</b></i>	An unimpaired Class within the meaning of section 1124 of the Bankruptcy Code.
<i><b>Unsecured Claim</b></i>	Any Claim that is not a Prepetition Lender Claim, Other Secured Claim, Administrative Claim, Priority Tax Claim or Other Priority Claim.
<i><b>Voting Classes</b></i>	Classes 6 and 7.
<i><b>Voting Deadline</b></i>	December 11, 2009 at 4:00 p.m. Prevailing Eastern Time.
<i><b>Voting Record Date</b></i>	November 2, 2009.
<i><b>Voting Stock</b></i>	Shall have the meaning ascribed to it in the Credit Agreement.

**B. Interpretation, Application of Definitions and Rules of Construction.**

Wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include both the singular and plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and neuter, such meanings to be applicable to both the singular and plural forms of the terms defined. Capitalized terms in the Plan that are not defined herein shall have the same meanings assigned to such terms by the Bankruptcy Code or Bankruptcy Rules, as the case may be. The words “herein,” “hereof,” and “hereunder” and other words of similar import refer to the Plan as a whole and not to any particular section or subsection in the Plan unless expressly provided otherwise. The words “includes” and “including” are not limiting and mean that the things specifically identified are set forth for purposes of illustration, clarity or specificity and do not in any respect qualify, characterize or limit the generality of the class within which such things are included. Captions and headings to articles, sections and exhibits are inserted for convenience of reference only, are not a part of this Plan, and shall not be used to interpret this Plan. The rules of construction set forth in section 102 of the Bankruptcy Code shall apply to this Plan. In computing any period of time prescribed or allowed by this Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

**II.**

**CLASSIFICATION OF CLAIMS AND EQUITY INTERESTS**

**A. Introduction.**

All Claims and Interests, except Administrative Claims and Priority Tax Claims, are placed in the “Classes” set forth below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims, as described below, have not been classified.

A Claim or Interest is placed in a particular Class only to the extent that the Claim or Interest falls within the description of that Class, and is classified in other Classes to the extent that any portion of the Claim or Interest falls within the description of such other Classes. A Claim or Interest is also placed in a particular Class for the purpose of receiving Distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim or Interest in that Class and such Claim or Interest has not been paid, released, or otherwise satisfied prior to the Plan Effective Date.

**1. Unclassified Claims (not entitled to vote on the Plan).**

- (a) *Administrative Claims.*
- (b) *Priority Tax Claims.*

**2. Unimpaired Classes of Claims and Interests (deemed to have accepted the Plan and, therefore, not entitled to vote on the Plan).**

- (a) *Class 1: Other Priority Claims.*

Class 1 consists of all Other Priority Claims.

- (b) *Class 2: Prepetition Lender Claims.*

Class 2 consists of all Prepetition Lender Claims.

- (c) *Class 3: Other Secured Claims.*

Class 3 consists of all Other Secured Claims.

- (d) *Class 4: Intercompany Claims.*

Class 4 consists of all of the Intercompany Claims.

- (e) *Class 5: Intercompany Interests.*

Class 5 consists of all of the Intercompany Interests.

**3. Impaired Classes of Claims (entitled to vote on the Plan).**

- (a) *Class 6: Noteholder Claims.*

Class 6 consists of all 10% Senior Subordinated Note Claims and 8¾% Senior Subordinated Note Claims.

- (b) *Class 7: General Unsecured Claims.*

Class 7 consists of all General Unsecured Claims.

4. **Impaired Classes of Interests (not entitled to vote on the Plan).**

(a) *Class 8: Equity Interests.*

Class 8 consists of all of the Equity Interests.

**III.  
TREATMENT OF ADMINISTRATIVE CLAIMS  
AND PRIORITY TAX CLAIMS**

**A. Administrative Claims.**

Each Holder of an Allowed Administrative Claim shall receive payment in full in Cash of the unpaid portion of an Allowed Administrative Claim on the latest to occur of (i) the Plan Effective Date, (ii) the date that such Claim becomes an Allowed Claim and (iii) the date that such Claim becomes payable under any agreement between the applicable Debtor and the Holder of such Claim.

**B. Bar Date for Administrative Claims.**

The Confirmation Order will establish a bar date for filing applications for the allowance of Administrative Claims (except for Fee Claims, Ordinary Course Administrative Claims, Substantial Contribution Claims and any fees or charges assessed against the Estates under section 1930 of title 28 of the United States Code) which date (the "Administrative Claims Bar Date") will be the first business day that is forty-five (45) days after the Confirmation Date. Holders of Administrative Claims, except for Fee Claims, Ordinary Course Administrative Claims, Substantial Contribution Claims and any fees or charges assessed against the Estates under section 1930 of title 28 of the United States Code, not paid prior to the Confirmation Date shall submit requests for payment on or before the Administrative Claims Bar Date or forever be barred from doing so and from receiving payment thereof. The notice of Confirmation to be delivered pursuant to Bankruptcy Rules 3020(c) and 2002(f) will set forth the Administrative Claims Bar Date and constitute notice of the Administrative Claims Bar Date. The Reorganized Company shall have until the Claims Objection Deadline (or such longer period as may be allowed by order of the Court) to review and object to all applications for the allowance of Administrative Claims.

**C. Fee Claims.**

All requests for compensation or reimbursement of Fee Claims pursuant to sections 327, 328, 330, 331, 503 or 1103 of the Bankruptcy Code for services rendered prior to the Confirmation Date shall be filed and served on the Reorganized Company and its counsel, the United States Trustee, counsel to the Creditors' Committee, counsel to the Prepetition Lenders and such other entities who are designated by the Bankruptcy Rules, the Confirmation Order or any other order(s) of the Court, no later than forty-five (45) days after the Confirmation Date. Unless such deadline is extended by agreement of the Reorganized Company, holders of Fee Claims that are required to file and serve

applications for final allowance of their Fee Claims and that do not file and serve such applications by the required deadline shall be forever barred from asserting such Fee Claims against the Debtors, the Reorganized Company or their respective properties, and such Fee Claims shall be deemed discharged as of the Plan Effective Date. Objections to any Fee Claims must be filed and served on the Reorganized Company and their counsel and the requesting party no later than thirty (30) days (or such longer period as may be allowed by order of the Court) after the date on which an application for final allowance of such Fee Claim was filed and served.

Upon Confirmation of the Plan or any amended plan, the financial advisor to the Creditors' Committee, Allen & Company LLC, shall have earned the restructuring fee, which fee shall be calculated on the amount of new capital raised by Allen & Company LLC, and shall include any amounts funded by any unsecured creditor, funded by any third party introduced by any unsecured creditor, or funded by any third parties otherwise participating in the Plan, as supported by the Creditors' Committee and funded by unsecured creditors and other third parties, who have agreed to invest in concert with members of the group of unsecured creditors; provided, however, that the \$5 million in capital to be contributed by Sopris Capital (or its designee or assigns) shall be excluded from the foregoing calculation and that, so long as the total amount to be invested does not exceed \$38 million, the difference between \$35 million and \$38 million will be excluded, such that the fee to the financial advisor will be set at \$3 million under these circumstances. The fee shall be payable to Allen & Company LLC immediately upon the Confirmation Order becoming a Final Order without the need for a further fee application.

**D. Substantial Contribution Claims.**

All requests for compensation or reimbursement of Substantial Contribution Claims shall be filed and served on the Reorganized Company and its counsel, the United States Trustee, counsel to the Creditors' Committee, counsel to the Prepetition Lenders and such other entities who are designated by the Bankruptcy Rules, the Confirmation Order or any other order(s) of the Court, no later than forty-five (45) days after the Plan Effective Date. Unless such deadline is extended by agreement of the Reorganized Company, holders of Substantial Contribution Claims that are required to file and serve applications for final allowance of their Substantial Contribution Claims and that do not file and serve such applications by the required deadline shall be forever barred from asserting such Substantial Contribution Claims against the Debtors, the Reorganized Company or their respective properties, and such Substantial Contribution Claims shall be deemed discharged as of the Plan Effective Date. Objections to any Substantial Contribution Claims must be filed and served on the Reorganized Company and its counsel and the requesting party no later than thirty (30) days (or such longer period as may be allowed by the Reorganized Company or by order of the Court) after the date on which an application for final allowance of such Substantial Contribution Claims was filed and served.

**E. Priority Tax Claims.**

On the later of (a) the date a Priority Tax Claim becomes an Allowed Priority Tax Claim or (b) the date a Priority Tax Claim first becomes payable pursuant to any agreement between a Debtor (or a Reorganized Debtor) and the Holder of such Priority Tax Claim, at the sole option of the Debtors (or the Reorganized Company), such holder of an Allowed Priority Tax Claim shall be entitled to receive, on account of such Priority Tax Claim, in full satisfaction, settlement, release, and discharge of, and in exchange for, such Priority Tax Claim, (i) Cash equal to the unpaid portion of such Allowed Priority Tax Claim, (ii) treatment in any other manner such that its Allowed Priority Tax Claims shall not be Impaired, including periodic payments on a quarterly basis over a period ending not later than five (5) years after the Petition Date, in accordance with the provisions of sections 511 and 1129(a)(9)(C) of the Bankruptcy Code, or (iii) such other treatment as to which the Reorganized Debtor and such Holder shall have agreed upon in writing. Clause (iii) of the preceding sentence shall not be construed to avoid the need for Bankruptcy Court approval of a Priority Tax Claim when such Bankruptcy Court approval is otherwise required by the Bankruptcy Code.

**IV.  
TREATMENT OF CLAIMS AND  
EQUITY INTERESTS**

**A. Class 1 — Other Priority Claims.**

**1. Distributions.**

The legal, equitable and contractual rights of the Holders of Allowed Class 1 Claims will be unaltered by the Plan. Unless otherwise agreed to by the Holders of the Allowed Class 1 Claims and the Debtors, each Holder of an Allowed Class 1 Claim shall receive, in full and final satisfaction of such Allowed Class 1 Claim, payment of the Allowed Class 1 Claim in full in Cash on the later of (i) the Plan Effective Date and (ii) 30 days after the date on which the Claim becomes Allowed.

Class 1 is unimpaired under the Plan. Holders of Allowed Other Priority Claims are presumed to accept the Plan and are not entitled to vote to accept or reject the Plan.

**B. Class 2 — Prepetition Lender Claims.**

**1. Distributions.**

Claims arising under the Credit Agreement shall be deemed fully Secured and Allowed in the amount of \$338,125,000. On the Plan Effective Date, the Reorganized Company shall cure any monetary default that occurred before or after the Petition Date; the maturity of the Prepetition Lender Claims shall be reinstated as such maturity existed prior to any such default and the legal, equitable and contractual rights of Holders of Class 2 Claims will not otherwise be altered.

**2. Impairment and Voting.**

Class 2 is unimpaired under the Plan. Holders of Allowed Prepetition Lender Claims are presumed to accept the Plan and are not entitled to vote to accept or reject the Plan.

**C. Class 3 — Other Secured Claims.**

**1. Distributions.**

Each Holder of Allowed Class 3 Claim shall receive, at the applicable Reorganized Debtor's election, in full and final satisfaction of such Allowed Class 3 Claims, one of the following: (i) return of its collateral, (ii) a Cash payment equal to the agreed or court determined value of its collateral, (iii) payments over time pursuant to an agreed stipulation or as may be determined by the Court, or (iv) reinstatement of its Allowed Claim.

**2. Impairment and Voting.**

Class 3 is unimpaired under the Plan. The holders of Allowed Other Secured Claims are presumed to accept the Plan and are not entitled to vote to accept or reject the Plan.

**D. Class 4 — Intercompany Claims.**

**1. Distributions.**

On the Plan Effective Date, the Class 4 Claims shall be reinstated as existed prior to any such default and the legal, equitable and contractual rights of the Holders of Class 4 Claims shall not be altered.

**2. Impairment and Voting.**

Class 4 is unimpaired under the Plan. The holders of Intercompany Claims are presumed to accept the Plan and are not entitled to vote to accept or reject the Plan.

**E. Class 5 — Intercompany Interests.**

**1. Distributions.**

On the Plan Effective Date, Class 5 Intercompany Interests will be (in the sole discretion of the applicable Holder of such Intercompany Interest) (1) released, waived and discharged as of the Plan Effective Date, (2) contributed to the capital of the obligor corporation, (3) dividended, or (4) remain unimpaired.

## **2. Impairment and Voting.**

Class 5 is unimpaired under the Plan. The holders of Intercompany Interests are presumed to accept the Plan and are not entitled to vote to accept or reject the Plan.

### **F. Class 6 — Noteholder Claims.**

#### **1. Distributions.**

Prior to Confirmation, Holders of Class 6 claims who are Qualified Institutional Buyers shall have the right to participate in the Rights Offering described in Article VI hereto. The 10% Senior Subordinated Note Claims shall be deemed Allowed in the amount of \$344,299,000. The 8¾% Senior Subordinated Note Claims shall be deemed Allowed in the amount of \$140,000,000. On the Plan Effective Date, the Reorganized Company shall issue and deliver to the indenture trustee for each of the notes, for the ultimate distribution to or for the account of each Holder of an Allowed Class 6 Claim in accordance with such Holder's rights and interests under the applicable notes and their respective indentures, in full and final satisfaction of such Allowed Class 6 Claims, a pro rata portion of the Class A New Common Stock, which stock will represent 10% of the outstanding New Common Stock on the Plan Effective Date, and will be subject to dilution by the Management and Director Equity Incentive Plan.

#### **2. Impairment and Voting.**

Class 6 is impaired under the Plan. The holders of Noteholder Claims are entitled to vote to accept or reject the Plan.

### **G. Class 7 — General Unsecured Claims.**

#### **1. Distributions.**

Holders of Allowed Class 7 Claims shall receive, in full and final satisfaction of such Allowed Class 7 Claims, a one-time Cash distribution equal to the lesser of their *pro rata* share of \$1,000,000 or a one-time Cash distribution equal to 10% of the amount of their Allowed Class 7 Claims.

#### **2. Impairment and Voting.**

Class 7 is impaired under the Plan. The holders of General Unsecured Claims are entitled to vote to accept or reject the Plan.

### **H. Class 8 — Equity Interests.**

#### **1. Distributions.**

All existing Equity Interests of Young and certain other Equity Interests at subsidiary levels shall be impaired, with no distribution to be made under the Plan to

Holders thereof, and all such existing Equity Interests of Young and all warrants, conversion rights, rights of first refusal and other rights, contractual or otherwise, to acquire or receive any Equity Interests in Young or any other Debtor, if any, shall be deemed cancelled as of the Plan Effective Date.

**2. Impairment and Voting.**

Class 8 is impaired under the Plan. The holders of Equity Interests are deemed to reject the Plan and are not entitled to vote to accept or reject the Plan.

**V.**

**PROVISIONS REGARDING VOTING, DISTRIBUTIONS, AND TREATMENT OF DISPUTED, CONTINGENT AND UNLIQUIDATED ADMINISTRATIVE EXPENSE CLAIMS, CLAIMS AND EQUITY INTERESTS**

**A. Voting on Plan.**

Each holder of Class 6 Noteholder Claims and Class 7 General Unsecured Claims shall be entitled to vote to accept or reject the Plan as provided in such order as may be entered by the Court establishing certain procedures with respect to the solicitation and tabulation of votes to accept or reject the Plan, or any other order(s) of the Court.

**B. Distributions.**

**1. Allowed Claims.**

(a) *Delivery of Distributions.*

Distributions under the Plan shall be made by the Reorganized Company or its designee to the Holders of Allowed Administrative Claims, Allowed Priority Tax Claims, Allowed Other Priority Claims, Allowed Other Secured Claims, Allowed Noteholder Claims and Allowed General Unsecured Claims at the addresses set forth on the Schedules, unless such addresses are superseded by proofs of claim or transfers of claim filed pursuant to Bankruptcy Rule 3001 on or prior to the Voting Record Date (or at the last known addresses of such holders if the Debtors or the Reorganized Company have been notified in writing of a change of address). Distributions on account of the Noteholder Claims shall be made initially to their respective Indenture Trustees who shall, in turn, make the distributions to the Holders of Allowed Noteholder Claims.

(b) *Distribution of Cash.*

Any payment of Cash by the Reorganized Company pursuant to the Plan shall be made at the option and in the sole discretion of the Reorganized Company by (i) a check drawn on, or (ii) wire transfer from, a domestic bank selected by the Reorganized Company.

(c) Fractional Cents.

Any other provision of this Plan to the contrary notwithstanding, no payment of fractions of cents will be made. Whenever any payment of a fraction of a cent would otherwise be called for, the actual payment shall reflect a rounding up or down, as applicable, of such fraction to the nearest whole cent.

(d) Unclaimed Distributions.

Any Distribution of Cash under the Plan to the holder of an Allowed Claim which remains unclaimed for a period of ninety (90) days after it has been delivered (or attempted to be delivered) in accordance with the Plan shall be transferred to and become property of the Reorganized Company notwithstanding state or other escheat or similar laws to the contrary, and any and all entitlement by the holder of such Claim to such Distribution shall be extinguished and forever barred.

(e) Saturdays, Sundays, or Legal Holidays.

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

(f) Distributions to Holders of Allowed Claims as of the Voting Record Date.

As of the close of business on the Voting Record Date, the Claims register shall be closed, and there shall be no further changes in the record holders of any Claims. The Debtors and the Reorganized Company shall have no obligation to recognize any Claim filed or transfer of any Claims occurring after the Voting Record Date. The Debtors and the Reorganized Company shall instead be entitled to recognize and deal for purposes under the Plan with only those record holders stated on the Claims register as of the close of business on the Voting Record Date. Notwithstanding the foregoing, the record date for distributions to be made by the Indenture Trustees to the holders of Noteholder Claims shall be the Plan Effective Date.

**C. Objections to and Resolution of Claims.****1. Objections to and Resolution of Administrative Claims and Claims.**

Objections to Claims must be filed and served on the holders of such Claims by the date that is ninety days after the Plan Effective Date (the “Claims Objection Bar Date”). If an objection has not been filed to a proof of Claim or an amendment has not been made to the Debtors’ schedules with respect to a scheduled Claim by the Claims Objection Bar Date, the Claim to which the proof of Claim or Debtors’ schedules relates shall be treated as an Allowed Claim. No payments or distributions shall be made on account of a Claim until such Claim becomes an Allowed

Claim. The Debtors or Reorganized Company will have no obligation to review and/or respond to any Claim that is not filed by the applicable bar date unless: (i) the filer has obtained an order from the Bankruptcy Court authorizing it to file such Claim; or (ii) the Reorganized Company have consented to the filing of such Claim in writing.

**D. Estimation.**

The Debtors or the Reorganized Company, as the case may be, may at any time request that the Court estimate, subject to 28 U.S.C. § 157, any Disputed Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether the Debtors or the Reorganized Company have previously objected to such Claim. The Court will retain jurisdiction to estimate any Claim at any time, including during proceedings concerning any objection to such Claim. In the event that the Court estimates any Disputed Claim, such estimated amount may constitute either (a) the Allowed amount of such Claim, (b) the estimate to be used by the Debtors in calculating potential Distributions under the Plan, or (c) a maximum limitation on such Claim, as determined by the Court. In the case of Unliquidated Claims arising from personal injury tort or wrongful death actions, the Court may estimate such Claims for the purpose of confirming a plan of reorganization. If the estimated amount constitutes a maximum limitation on such Claim, the Debtors or the Reorganized Company may elect to object to ultimate payment of such Claim. All of the aforementioned Claims objection, estimation and resolution procedures are cumulative and not necessarily exclusive of one another.

**E. Administrative Claims of Indenture Trustees.**

To the extent permitted and provided for under the Prepetition Indentures, in addition to any other Administrative Claim that may be filed by the Indenture Trustees pursuant to the provisions set forth herein, the 8 ¾ Indenture Trustee and the 10% Indenture Trustee shall have an Allowed Administrative Claim in an amount equal to such Indenture Trustee's Indenture Trustee Expenses. If the Debtors or the Reorganized Company disputes the reasonableness of any such Indenture Trustee's Indenture Trustee Expenses, the Debtors or the Reorganized Company or such affected Indenture Trustee may submit such dispute to the Court for a determination of the reasonableness or amount of such Indenture Trustee Expenses. The Indenture Trustees shall be entitled to payment of or the assertion of its Indenture Trustee Charging Lien for any disputed Indenture Trustee Expenses. Nothing contained herein shall affect the right of an Indenture Trustee from asserting its Indenture Trustee Charging Lien, to the extent applicable under the terms of the respective Prepetition Indenture, provided, however, that upon the payment in full of such Indenture Trustee's Indenture Trustee Expenses, such Indenture Trustee's Indenture Trustee Charging Lien shall be deemed released and discharged in full.

**F. Cancellation and Surrender of Existing Securities and Agreements.**

Notwithstanding any other provision of the Plan and except for Prepetition Lender Claims, Intercompany Claims and Intercompany Interests, on the Plan Effective Date, any promissory note, other instrument or security evidencing a Claim or Equity

Interest shall be deemed canceled, provided, however, that the 8¾ Note Indenture and the 10% Note Indenture shall continue to survive and be in full force and effect for the sole purposes of making distributions under the Plan and asserting any Indenture Trustee Charging Lien thereunder.

**G. Nonconsensual Confirmation.**

If at least one (1) Class of Claims or Interests that is Impaired under the Plan votes to reject the Plan, the Creditors' Committee may seek to have the Court confirm the Plan under section 1129(b) of the Bankruptcy Code.

**VI.  
PROVISIONS REGARDING IMPLEMENTATION OF PLAN**

**A. Rights Offering.**

Commencing on the Rights Offering Commencement Date and until the Expiration Time, the Debtors shall conduct a Rights Offering to generate gross proceeds of \$38 million in exchange for 100% of the Preferred Stock and 80% of the Class A New Common Stock issued and outstanding on the Plan Effective Date, which will be subject to dilution by the Management and Director Equity Incentive Plan and the Commitment Fee set forth in the Equity Commitment Agreement. The "Rights" will be available to all Holders of Class 6 Claims that are Qualified Institutional Buyers at the same price paid by the Backstop Parties. The solicitation materials distributed in connection with the solicitation of acceptance of the Committee Plan shall provide a place whereby each Eligible Holder may exercise its Right (the "Rights Exercise Form"). In order to exercise a Right, each Eligible Holder shall, (i) prior to the Expiration Time return a duly executed Rights Exercise Form to the EPIQ Bankruptcy Services, LLC (the "Subscription Agent") and (ii) pay an amount equal to the full purchase price of the number of Units (a "Unit" consisting of [ ] shares of New Common Stock and [ ] shares of Preferred Stock at a purchase price of \$[ ]) elected to be purchased by such Eligible Holder by wire transfer of immediately available funds to an escrow account established for the Rights Offering within three business days after the Confirmation Order is entered. The Company will cause the shares of Preferred Stock and New Common Stock comprising the Units to be transferable separately following their issuance.

**B. Funding of Distributions and Payment of Cure Costs.**

The Reorganized Company will make distributions and pay cure costs required under the Plan from (1) the Equity Contribution, (2) the Reorganized Company's cash balances and cash from operations; and (3) any other means of financing or funding that the Debtors or the Reorganized Company determine is necessary or appropriate to fund distributions required under the Plan.

**C. Securities to be Issued Pursuant to the Plan.**

**1. Rights.**

On the Rights Offering Commencement Date, the Debtors shall issue the Rights to the Holders of Class 6 Claims who are Qualified Institutional Buyers as of the Voting Record Date.

**2. Class A New Common Stock.**

On or before the Plan Effective Date, the Reorganized Company shall authorize the issuance of Class A New Common Stock to be issued on or after the Plan Effective Date, which shall be sufficient to effectuate the issuance of such New Common Stock pursuant to the Plan, the Rights Offering and the Management Incentive Plan on the Plan Effective Date, without further act or action under applicable law, regulation, rule or order.

Holders of Class A shares shall be entitled to receive their *pro rata* share of dividends when and if declared by the board of directors of the Reorganized Company.

**3. Class B New Common Stock.**

On or before the Plan Effective Date, the Reorganized Company shall authorize the issuance of Class B New Common Stock to be issued on or after the Plan Effective Date, without further act or action under applicable law, regulation, rule or order. The Class B New Common Stock shall constitute 40% of the Voting Stock. The Class B New Common Stock shall represent 10% of the New Common Stock on the Plan Effective Date, and will be subject to dilution by the Management and Director Equity Incentive Plan.

The Class B New Common Stock shall automatically convert into Class A New Common Stock upon the earlier of (i) an amendment to the Credit Agreement that no longer requires (a) 40% of the Voting Stock to be held by Vincent Young or (b) Vincent Young to have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the board of directors if a Person shall be deemed to have beneficial ownership more than 30% (by number of votes) of the total outstanding Voting Stock, (ii) the termination of the Credit Agreement, or (iii) satisfaction of all obligations under the Credit Agreement. Upon conversion, such shares shall be apportioned to senior management existing as of the Plan Effective Date (unless any of them voluntarily left the employment of the Reorganized Company prior to such conversion) as determined by Vincent Young.

**4. Preferred Stock**

On or before the Plan Effective Date, the Reorganized Company shall authorize the issuance of Preferred Stock to be issued on or after the Plan Effective Date, which shall be sufficient to effectuate the issuance of such Preferred Stock pursuant to the

Plan and the Rights Offering on the Plan Effective Date, without further act or action under applicable law, regulation, rule or order.

Holders of Preferred Stock shares shall be entitled to receive their *pro rata* share of dividends when and if declared by the board of directors of the Reorganized Company.

## **5. Filing of Form 15.**

It is anticipated that after the issuance of the New Common Stock there will be fewer than 300 holders of record of the Common Stock. After the Plan Effective Date, Reorganized Company will file a Form 15 with the SEC terminating its periodic filing requirements pursuant to the Securities Exchange Act of 1934, as amended, to the extent legally practicable.

### **D. Corporate Governance and Management of the Reorganized Company.**

#### **1. Board of Directors.**

Subject to any requirement of Bankruptcy Court approval pursuant to section 1129(a)(5) of the Bankruptcy Code, on the Plan Effective Date, (i) each director of the Reorganized Company (other than Vincent Young) will be deemed to have resigned, (ii) the New Board will be constituted in the manner set forth below and, except for the New Board, the officers and directors of each subsidiary of the Reorganized Company will be determined with the consent of the Backstop Parties. Each such director and officer will serve from and after the Plan Effective Date until his or her successor is duly elected or appointed and qualified or until his or her earlier death, resignation or removal in accordance with the terms of the certificate of incorporation and bylaws (or comparable constituent documents) of the respective subsidiary of the Reorganized Company, as the same may be amended pursuant to the Plan or otherwise from time to time, and applicable state law.

The board of directors of the Reorganized Company shall consist of seven (7) board members (one of whom shall be Vincent Young as the Reorganized Company's Chief Executive Officer). At least three of the board members shall be independent. Five (5) members of the New Board shall be designated by the existing board, subject to the approval of the Backstop Parties, and one (1) member of the New Board shall be designated by the Creditors' Committee (which member shall be independent), each of whom shall be approved by the existing board members. The organizational documents will provide for a staggered board under §141(d) of the Delaware General Corporation Law whereby there will be three classes of directors. The first class would include the Chief Executive Officer and have a one year term; the second class would include the Creditors' Committee board nominee and have a two-year term; and the third class would include the five remaining board members and have a three year term.

**2. Organizational Documents.**

The Reorganized Company will adopt the Amended and Restated By-Laws and the Amended and Restated Certificate of Incorporation, subject to the consent of the Backstop Parties

**3. Stockholders' Agreement.**

At the request of each Backstop Party, Vincent Young and the Backstop Parties will enter into a stockholders' agreement on terms mutually agreed upon.

**4. Management Incentive Plan.**

10% of the Class A New Common Stock of the Reorganized Company, on a fully-diluted basis, is reserved for issuance as grants of equity, restricted stock or options in connection with the Reorganized Company's Management and Director Equity Incentive Plan, which plan shall be administered by the board of directors of the Reorganized Company. In addition to the Reorganized Company's Management and Director Equity Incentive Plan, the new board of directors may consider additional equity and cash incentives based on significant value creation, with value targets and specified timelines to be agreed.

**E. Powers of Officers.**

The officers of the Debtors or the Reorganized Company, as the case may be, shall have the power to enter into and to execute any Plan Supplement Document to which the Reorganized Company is to be a party and (subject to the approval of the board of directors of Reorganized Company) to take such other or further action as they deem reasonable and appropriate to effectuate the terms of the Plan.

**F. Employment Contracts and Professional Retentions.**

Except with respect to those contracts rejected prior to, or pursuant to the Plan upon the Plan Effective Date, the Reorganized Company shall have authority, as determined by each Reorganized Debtor's board of directors, to: (a) maintain, amend or revise existing employment, retirement, welfare, incentive, severance, indemnification and other agreements with their active and retired directors, officers and employees, subject to the terms and conditions of any such agreement; and (b) enter into new employment, retirement, welfare, incentive, severance, indemnification and other agreements for active and retired employees. The Reorganized Company shall enter into the Employment Agreements.

**VII.**  
**EFFECT OF CONFIRMATION OF THE PLAN**

**A. Continued Corporate Existence.**

After the Plan Effective Date, the Reorganized Company may enter into any restructuring transactions (the “Restructuring Transactions”) and take such actions as the Reorganized Company may determine to be necessary or appropriate to effect a corporate restructuring of their respective businesses or simplify the overall corporate structure of the Reorganized Company, all to the extent not inconsistent with any other terms of the Plan. Such Restructuring Transactions may include one or more mergers, consolidations, restructurings, dispositions, liquidations or dissolutions, as may be determined by the Reorganized Company to be necessary or appropriate without further order of the Bankruptcy Court. Furthermore, after the Plan Effective Date, the Reorganized Company may operate their businesses and use, acquire, dispose of property and settle and compromise claims or interests without the supervision of the Bankruptcy Court, free of any restrictions of the Bankruptcy Code or Rules.

**B. Dissolution of Creditors’ Committee.**

The Creditors’ Committee shall continue in existence until the Plan Effective Date and shall continue to exercise those powers and perform those duties specified in section 1103 of the Bankruptcy Code and shall perform such other duties as it may have been assigned by the Court prior to the Plan Effective Date. On the Plan Effective Date, the Creditors’ Committee shall be dissolved and its members shall be deemed released of all of their duties, responsibilities and obligations in connection with the Chapter 11 Cases or this Plan and its implementation, and the retention or employment of the Creditors’ Committee’s attorneys, financial advisors, and other agents shall terminate except that the Creditors’ Committee shall continue to have standing and a right to be heard with respect to (i) all Fee Claims, (ii) any appeals of the Confirmation Order, (iii) any adversary proceedings pending as of the Plan Effective Date to which it may be a party and (iv) post-Plan Effective Date modifications to the Plan.

**C. Vesting of Property.**

Except as otherwise provided in the Plan and the Confirmation Order, on the Plan Effective Date, all of the assets of the Debtors shall vest in the Reorganized Company, free and clear of all claims, liens and interests. The Reorganized Company, or its designee, shall make all distributions under the Plan.

**D. Discharge of the Debtors.**

**Except as otherwise provided in this Plan, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan shall be in exchange for and in complete satisfaction, discharge and release of all Claims and Equity Interests of any nature whatsoever, including any interest accrued on such Claims from and after the Petition Date, against the Debtors or any of their assets, property or Estates. The Plan shall bind all Holders of Claims and Interests,**

notwithstanding whether any such Holders failed to vote to accept or reject the Plan or voted to reject the Plan. Except as provided in the Plan or in the Confirmation Order, Confirmation shall, as of the Plan Effective Date, discharge the Debtors from all Claims or other liabilities that arose on or before the Plan Effective Date and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (a) a proof of Claim based on such debt is filed or deemed filed pursuant to section 501 of the Bankruptcy Code, (b) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (c) the holder of a Claim based on such debt has accepted the Plan. In accordance with the foregoing, except as provided in the Plan or the Confirmation Order, the Confirmation Order shall be a judicial determination, as of the Plan Effective Date, of a discharge of all Claims and other debts and liabilities against the Debtors, pursuant to sections 524 and 1141 of the Bankruptcy Code, and such discharge shall void any judgment obtained against a Debtor at any time, to the extent that such judgment relates to a discharged Claim.

**E. Injunction.**

Except as provided in the Plan or the Confirmation Order, as of the Plan Effective Date, all entities that have held, currently hold or may hold a Claim or other debt or liability that is discharged pursuant to the terms of the Plan shall be permanently enjoined from taking any of the following actions on account of any such discharged Claims, debts or liabilities: (i) commencing or continuing in any manner any action or other proceeding against the Debtors, the Reorganized Company or their respective property, other than to enforce any right pursuant to the Plan to receive a Distribution on account of such Claim; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against the Debtors, the Reorganized Company or their respective property, other than as permitted pursuant to (i) above; (iii) creating, perfecting or enforcing any lien or encumbrance against the Debtors, the Reorganized Company or their respective property; (iv) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtors or the Reorganized Company; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

As of the Plan Effective Date, all entities that have held, currently hold or may hold any Claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities that are released pursuant to the Plan shall be permanently enjoined from taking any of the following actions against any released entity or its property on account of such released claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities: (i) commencing or continuing in any manner any action or other proceeding; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order; (iii) creating, perfecting or enforcing any lien or encumbrance; (iv) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to any released entity; and (v) commencing or continuing

**any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.**

**F. Preservation of Causes of Action.**

Except as provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b) of the Bankruptcy Code and to the fullest extent possible under applicable law, the Reorganized Company shall retain and may enforce, and shall have the sole right to enforce, any claims, demands, rights and causes of action that any Debtor may hold against any entity. The Reorganized Company or its successors may pursue such retained claims, demands, rights or causes of action, as appropriate, in accordance with the best interests of the Reorganized Company or its successors holding such claims, demands, rights or causes of action. Further, the Reorganized Company retains its right to file and pursue, and shall have the sole right to file and pursue, any adversary proceedings against any trade creditor or vendor related to debit balances or deposits owed to any Debtor.

**G. Votes Solicited in Good Faith.**

The Debtors and the Creditors' Committee have, and upon confirmation of the Plan 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 Creditors' Committee and the Debtors (and each of their respective affiliates, agents, directors, officers, members, employees, advisors and attorneys) have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the Distributions contemplated hereunder and therefore have not been, and on account thereof 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 Distributions contemplated hereunder.

**H. Administrative Claims Incurred After the Confirmation Date.**

Administrative Claims incurred by the Reorganized Company after the Confirmation Date, including (without limitation) Claims for Professionals' fees and expenses incurred after such date, may be paid by the Reorganized Company without Court approval.

**I. Debtors' Releases.**

**Each of the Debtors shall unconditionally release, and shall be deemed to forever release unconditionally, each of the Exculpated Parties from any and all claims, debts, obligations, demands, liabilities, suits, judgments, damages, rights and causes of action, whatsoever (other than the right to enforce the obligations under the Confirmation Order and the Plan and the contracts, instruments, releases and other agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, then existing or thereafter arising, in law, equity or otherwise that are based in whole or**

in part upon any act or omission, transaction, event or other occurrence taking place on or prior to the Plan Effective Date in any way relating to the Debtors, the Debtors' bankruptcy cases, the Plan, or the Disclosure Statement.

**J. Releases by Holders of Claims and Equity Interests.**

On the Plan Effective Date, each Holder of a Claim or Equity Interest shall be deemed to unconditionally release and forever waive all claims, debts, obligations, demands, liabilities, suits, judgments, damages, rights and causes of action, whatsoever (other than the right to enforce the obligations under the Plan and the contracts, instruments, releases and other agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, then existing or thereafter arising, in law, equity or otherwise that are based in whole or in part upon any transactions or matters with the Debtors, their estates or in connection with the Debtors' bankruptcy cases, the Plan, the Disclosure Statement or for any act or omission that occurred or could have occurred on or prior to the Plan Effective Date (collectively "Released Claims") against (i) any Debtor or Reorganized Debtor, (ii) any affiliate or subsidiary of any Debtor or Reorganized Debtor, (iii) the Exculpated Parties, except for any claim or cause of action arising from fraud or willful misconduct.

**K. Exculpation and Limitation of Liability.**

On the Plan Effective Date, the Exculpated Parties shall neither have, nor incur any liability to any Entity for any prepetition or postpetition act taken or omitted to be taken in connection with, or related to formulating, negotiating, preparing, disseminating, implementing, administering, confirming or effecting the Consummation of the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Company; provided, however, that the foregoing provisions of this release shall have no effect on the liability of any Entity that results from any such act or omission that is determined in a Final Order to have constituted gross negligence or willful misconduct; provided further, that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her or its duties pursuant to, or in connection with, the Plan; provided still further, that the foregoing Exculpation shall not be deemed to, release, affect, or limit any of the rights and obligations of the Exculpated Parties from, or exculpate the Exculpated Parties with respect to, any of the Exculpated Parties' obligations or covenants arising pursuant to the Plan or the Confirmation Order.

**1. Limitation of Governmental Releases.**

Notwithstanding Articles VII.I and VII.K herein, the Plan shall not release, discharge, or exculpate any non-Debtor party from any debt owed to the United States Government and/or its agencies, including the PBGC (the

**“Government”), or from any liability arising under the Internal Revenue Code, ERISA, as amended, or the environmental laws, securities laws or criminal laws of the United States. In addition, notwithstanding Articles VII.I and VII.K herein, the Plan shall not enjoin or prevent the Government from collecting any such liability from any such non-Debtor party.**

**L. Term of Bankruptcy Injunction or Stays.**

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

**M. Reinstatement and Continuation of Insurance Policies.**

Unless otherwise assumed during the pendency of the Chapter 11 Cases, from and after the Plan Effective Date, each of the Debtors’ insurance policies in existence on and as of the Confirmation Date shall be reinstated and continued in accordance with its terms and, to the extent applicable, shall be deemed assumed by the applicable Reorganized Debtor pursuant to section 365 of the Bankruptcy Code.

The Debtors’ discharge and release from all Claims and Equity Interests, as provided herein, shall not diminish or impair the enforceability of any insurance policy that may cover Claims against the Debtors, the Reorganized Company (including, without limitation, its officers and directors) or any other person or entity. Notwithstanding any other provision of the Plan or the Confirmation Order, nothing in this Plan shall (i) impair (w) the right of any insurer to defend against any claim asserted against such insurer, (x) an insurer’s status as a secured creditor to the extent applicable under the terms of the Plan, including the right to recover from any Collateral (in accordance with the applicable insurance policy, (y) an insurer’s right to draw on third-party letters of credit (in accordance with the terms of the applicable insurance policy and letter of credit) or (z) any insurer’s right of setoff pursuant to section 553 of the Bankruptcy Code to the extent applicable and/or (ii) affect an insurer’s right to seek arbitration of disputes between the Debtors and such insurer to the extent provided for under the terms of the applicable insurance agreement.

**N. Officers’ and Directors’ Indemnification Rights and Insurance.**

The Reorganized Company will obtain reasonably sufficient tail coverage under a directors and officers’ liability insurance policy for the current directors and officers for a period of six years (the “Tail Policy”). As of the Plan Effective Date, the Debtors shall assume all of the D&O Liability Insurance Policies pursuant to section 365(a) of the Bankruptcy Code. Entry of the Confirmation Order will constitute the Bankruptcy Court’s approval of the Debtors’ foregoing assumption of each of D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained in the Plan, Confirmation of the Plan shall not discharge, impair or otherwise modify any indemnity obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such indemnity obligation will be deemed and treated as an

Executory Contract that has been assumed by the Debtors under the Plan as to which no proof of claim need be filed.

Notwithstanding any other provisions of the Plan, all indemnification provisions currently in place (whether in the by-laws, certificates of incorporation, articles of limited partnership, board resolutions or employment contracts) for the directors who were in place as of the Petition Date and current officers, employees, attorneys, other professionals and agents of the Debtors shall be assumed, and shall survive effectiveness of the Plan only to the extent necessary to enforce claims by the Reorganized Company under the Tail Policy. All indemnification provisions in place on and prior to the Plan Effective Date for current directors and officers of the Debtors and their subsidiaries and such current and former directors and officers' respective Affiliates shall survive the Plan Effective Date for Claims related to or in connection with any actions, omissions or transactions occurring prior to the Plan Effective Date only to the extent necessary to enforce claims by the Reorganized Company under the Tail Policy.

## **VIII. RETENTION OF JURISDICTION**

The Bankruptcy Court shall have exclusive jurisdiction over all matters arising out of, and related to, the Chapter 11 Cases and the Plan pursuant to, and for the purposes of, section 105(a) and section 1142 of the Bankruptcy Code and for, among other things, the following purposes: (1) to hear and determine applications for the assumption or rejection of executory contracts or unexpired leases pending on the Confirmation Date, and the allowance of Claims resulting therefrom; (2) to determine any other applications, adversary proceedings, and contested matters pending on the Plan Effective Date; (3) to ensure that Distributions to holders of Allowed Claims and Interests are accomplished as provided herein; (4) to resolve disputes as to the ownership of any Claim or Interest; (5) to hear and determine timely objections to, or other proceedings challenging the allowance of, Administrative Claims and Claims, (6) to hear and determine any disputes arising as to the reasonableness of an Indenture Trustee's Indenture Trustee Expenses; (7) 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; (8) to issue such orders in aid of execution of the Plan, to the extent authorized by section 1142 of the Bankruptcy Code; (9) to consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any order of the Court, including, without limitation, the Confirmation Order; (10) to hear and determine all applications for compensation and reimbursement of expenses of professionals under sections 330, 331 and 503(b) of the Bankruptcy Code; (11) to hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan; (12) to hear and determine any issue for which the Plan requires an order of, or other relief from, the Court; (13) to hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code; (14) to hear and determine any causes of action preserved under the Plan under sections 544, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code; (15) to hear and determine any matter regarding the existence, nature and scope of the Debtors' discharge; (16) to hear and determine any matter regarding the existence, nature,

and scope of the releases and exculpation provided in Article VII of the Plan; and (17) to enter a final decree closing the Chapter 11 Cases. The Bankruptcy Court shall not retain any jurisdiction to interpret and enforce the Credit Agreement or any disputes arising therefrom from and after the Plan Effective Date.

**IX.**  
**MISCELLANEOUS PROVISIONS**

**A. Payment of Statutory Fees.**

All fees payable on or before the Plan Effective Date pursuant to section 1930 of title 28 of the United States Code shall be paid by the Debtors on or before the Plan Effective Date and all such fees payable after the Plan Effective Date shall be paid by the applicable Reorganized Debtor as and when such fees become due.

**B. Modification of the Plan.**

**1. Pre-Confirmation Modifications.**

The Creditors' Committee may alter, amend, or modify the Plan before the Confirmation Date as provided in section 1127 of the Bankruptcy Code.

**2. Post-Confirmation Immaterial Modifications.**

After the Confirmation Date, the Creditors' Committee may, with the approval of the Court, without notice to all holders of Claims or Interests, insofar as it does not materially and adversely affect the holders of Claims or Interests, correct any defect, omission or inconsistency in the Plan in such manner and to such extent as may be necessary to expedite consummation of the Plan.

**3. Post-Confirmation Material Modifications.**

After the Confirmation Date, the Creditors' Committee may, alter or amend the Plan in a manner which, as determined by the Bankruptcy Court, materially and adversely affects holders of Claims or Interests, provided that such alteration or modification is made after a hearing as provided in section 1127 of the Bankruptcy Code.

**C. Governing Law.**

Unless a rule of law or procedure is supplied by Federal law (including the Bankruptcy Code and Bankruptcy Rules) the laws of the State of New York (without reference to the conflicts of laws provisions thereof) shall govern the construction and implementation of the Plan and any agreements, documents, and instruments executed in connection with the Plan, unless otherwise specified.

**D. Filing or Execution of Additional Documents.**

On or before the Plan Effective Date, the Debtors shall file with the 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 the Plan.

**E. Withholding and Reporting Requirements.**

In connection with the Plan and all instruments issued in connection herewith and Distributions hereunder, the Reorganized Company shall comply with all withholding and reporting requirements imposed by any federal, state, local or foreign taxing authority and all Distributions hereunder shall be subject to any such withholding and reporting requirements.

**F. Exemption From Transfer Taxes.**

Pursuant to section 1146(a) of the Bankruptcy Code, (a) the issuance, transfer and exchange under the Plan of the Rights and the New Common Stock, (b) the making or assignment of any lease or sublease, or (c) the making or delivery of any other instrument whatsoever, in furtherance of or in connection with the Plan, shall not be subject to any stamp tax or other similar tax.

**G. Securities Issues.**

To the maximum extent provided by section 1145 of the Bankruptcy Code and applicable nonbankruptcy law, the issuance of the New Common Stock under the Plan will be exempt from registration under the Securities Act and all rules and regulations promulgated thereunder.

**H. Waiver of Bankruptcy Rule 3020(e) and Federal Rule of Civil Procedure 62(a).**

The Creditors' Committee may request that the Confirmation Order include (a) a finding that Bankruptcy Rule 3020(e) and Fed. R. Civ. P. 62(a) shall not apply to the Confirmation Order and (b) authorization for the Debtors to consummate the Plan immediately after entry of the Confirmation Order.

**I. Exhibits/Schedules.**

All exhibits and schedules to the Plan and the Plan Supplement are incorporated into and constitute a part of the Plan as if fully set forth herein.

**J. Pension Plan.**

To the extent not otherwise terminated or compromised by order of the Bankruptcy Court, the Debtors' and the Reorganized Company's continuing obligations under the Pension Plan shall be unaffected by the Chapter 11 Cases and the Plan.

**K. Notices.**

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

To the Debtors: Young Broadcasting Inc., 599 Lexington Avenue, New York, New York 10022, attention: James A. Morgan, with a copy to Sonnenschein Nath & Rosenthal LLP, 1221 Avenue of the Americas, New York, New York, 10020, attention: Peter D. Wolfson, Esq. and Jo Christine Reed, Esq., Tel: (212) 768-6840, Fax: 212 768-6800.

To the Creditors' Committee: Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019-6064, attention: Andrew N. Rosenberg, Esq. and Jeffrey D. Saferstein, Esq., Tel.: (212) 373-3000, Fax: (212) 757-3990.

The Office of the United States Trustee: 33 Whitehall Street, New York, New York 10004, attention: Richard C. Morrissey, Esq., Tel.: (212) 510-0500.

**L. Plan Supplement.**

Forms of the documents relating the Amended and Restated Certificate of Incorporation, the Amended and Restated By-Laws, a notice setting forth the identities, terms and nature of the compensation of the Reorganized Company's senior officers and directors and the Employment Agreements to be entered into with the Reorganized Company's senior officers, and such other documents and information as the Creditors' Committee determine to be necessary or appropriate to the implementation and/or confirmation of the Plan shall be contained in the Plan Supplement, which will be filed with the Clerk of the Court no later than five (5) days prior to the Confirmation Hearing; provided, however, that the Creditors' Committee may amend any of the Plan Supplement Documents through and including the Plan Effective Date in a manner consistent with the Plan and with the prior written consent of any other non-Debtor third parties to the relevant document. The Plan Supplement may be inspected in the office of the Clerk of the Court during normal court hours and shall be available online at [www.epiq11.com](http://www.epiq11.com). Holders of Claims or Equity Interests may also obtain a copy of the Plan Supplement upon written request to the EPIQ Bankruptcy Services, LLC (the "Voting Agent").

**M. Conflict.**

The terms of this Plan shall govern in the event of any inconsistency with the summary of the Plan set forth in the Disclosure Statement. The terms of the Confirmation Order shall govern in the event of any inconsistency with the Plan or the summary of the Plan set forth in the Disclosure Statement.

**N. Setoff by the United States.**

The valid setoff rights, if any, of the United States of America will be unaffected by this Plan or Confirmation hereof.

**X.**

**EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

**A. Assumption and Rejection of Executory Contracts and Unexpired Leases.**

On the Plan Effective Date, pursuant to section 365 of the Bankruptcy Code, each Debtor or Reorganized Debtor shall assume all of the executory contracts and unexpired leases (including any and all rights under any contract or agreement) to which it is a party or beneficiary except for those executory contracts and unexpired leases (a) listed on an exhibit to the Plan (which may be amended at any time prior to the Plan Effective Date) or (b) previously assumed or rejected by the Debtors. Contracts or leases entered into after the Petition Date will be performed by the Reorganized Company in the ordinary course of their business.

Notwithstanding anything to the contrary in any contract, agreement or lease to which a Debtor or Reorganized Debtor is a party, (i) the transactions contemplated by the Plan and (ii) the consequences of the Plan's implementation shall not trigger any change in control or similar provisions and shall not be voided by any restraints against assignment in any contract, agreement or lease governed by the Plan. The Confirmation Order shall constitute an order of the Court approving all such assumption and assignments and rejections pursuant to section 365 of the Bankruptcy Code.

**B. Cure.**

Except as otherwise agreed to by the parties, on the Initial Distribution Date, the Reorganized Company shall cure any and all undisputed defaults under any executory contract or unexpired lease that is assumed pursuant to the Plan in accordance with section 365 of the Bankruptcy Code. Unless the parties to the contract or lease agree otherwise, all disputed defaults that are required to be cured shall be cured by the later to occur of (i) ten (10) days after the entry of a Final Order determining the amount, if any, of the Debtors or the Reorganized Company' liability with respect thereto and (ii) the Initial Distribution Date.

**C. Rejection Damage Claims.**

All Claims for damages arising from the rejection of executory contracts or unexpired leases must be filed with the Court in accordance with the terms of the order authorizing such rejection. Any Claims not filed within such time shall be forever barred from assertion against the Debtors, their respective estates and the Reorganized Company. All Allowed Claims arising from the rejection of executory contracts or unexpired leases shall be treated as Class 7 General Unsecured Claims.

**D. Affiliation Agreements.**

The Debtors shall use their commercially reasonable efforts to renew the ABC affiliation agreements prior to the expiration thereof. The Debtors shall decline to renew their lease at 599 Lexington when it expires at the end of 2009 (with respect to both corporate headquarters and AYI).

**E. Termination of Lease.**

Additionally, as of the effective time of an applicable Restructuring Transaction, any contract, agreement or lease to be held by any Debtor or another surviving, resulting or acquiring corporation in an applicable Restructuring Transaction, shall be deemed assigned to the applicable entity, pursuant to section 365 of the Bankruptcy Code.

**XI.**

**CONFIRMATION AND EFFECTIVENESS OF THE PLAN**

**A. Conditions Precedent to Confirmation.**

This Plan shall not be confirmed by the Bankruptcy Court unless and until the following conditions have been satisfied in full or waived pursuant to Article XI.C:

1. The Confirmation Order shall have been entered by the Bankruptcy Court and shall be reasonably acceptable in form and substance to the Creditors' Committee, the Backstop Parties and the Debtors.
2. All exhibits to the Plan are in form and substance reasonably satisfactory to the Creditors' Committee, the Backstop Parties and the Debtors.
3. The Bankruptcy Court shall have found that adequate and sufficient notice of the Disclosure Statement and the Confirmation Hearing, along with all deadlines for voting on or objecting to the Plan has been given to all relevant parties in accordance with the solicitation procedures governing such service and in substantial compliance with Bankruptcy Rules 2002(b), 3017 and 3020(b).

**B. Conditions Precedent to Effectiveness.**

The Plan shall not become effective unless and until it has been confirmed and the following conditions have been satisfied in full or waived pursuant to Article XI.C:

1. The Plan and all Plan Supplement documents,

including any amendments, modifications or supplements thereto, shall be reasonably acceptable to the Creditors' Committee, the Backstop Parties and the Debtors.

2. The Confirmation Order shall have been entered by the Bankruptcy Court, in a form reasonably acceptable to the Creditors' Committee, the Backstop Parties and the Debtors, approving and authorizing the Debtors and the Reorganized Company to take all actions necessary or appropriate to implement the Plan, including completion of the transactions contemplated by the Plan and the implementation and consummation of contracts, instruments, releases and other agreements or documents created in connection with the Plan.
3. The Confirmation Order shall have become a Final Order and is in full force and effect.
4. The FCC Consent shall have been issued by the FCC and have become final without any condition which would have a material adverse effect on the Reorganized Debtor; provided, however, that subject to applicable law with the consent of the Backstop Parties, a customary trust may be set up until FCC approval is obtained.
5. The waiting period (and any extension thereof) applicable to the Committee Plan under the HSR Act shall have been terminated or shall have expired.
6. The terms of the Voting Stock and corporate governance of the Reorganized Company shall be reasonably acceptable to the Creditors' Committee and the Backstop Parties.

**C. Waiver of Conditions.**

The Creditors' Committee with the consent of each Backstop Party, and, in the case of the conditions set forth in Articles XI.A.1, XI.A.2, XI.B.1 and XI.B.2, with the consent of the Debtors, may waive any or all of the conditions set forth in Articles XI.A and XI.B at any time without leave or order of the Court.

**D. Effect of Failure of Conditions.**

In the event that the Plan Effective Date does not occur on or prior to [ ], 2009, or such later date as may be agreed to by the Creditors' Committee (a) the Confirmation Order shall be vacated, (b) no Distributions under the Plan shall be made, (c) the Debtors and all holders of Claims and Interests shall be restored to the *status quo ante* as of the day immediately preceding the Confirmation Date as though the

Confirmation Date had never occurred, and (d) the Debtors' obligations with respect to the Claims and Equity Interests shall remain unchanged and nothing contained in the Plan shall constitute or be deemed a waiver or release of any Claims or Interests by or against the Debtors or any other person or to prejudice in any manner the rights of the Debtors or any person in any further proceedings involving the Debtors.

**E. Vacatur of Confirmation Order.**

If a Final Order denying confirmation of the Plan is entered, or if the Confirmation Order is vacated, then the Plan shall be null and void in all respects, and nothing contained in the Plan shall (a) constitute a waiver or release of any Claims against or Equity Interests in the Debtors; (b) prejudice in any manner the rights of the holder of any Claim against, or Interest in, the Debtors; (c) prejudice in any manner any right, remedy or claim of the Debtors; or (d) be deemed an admission against interest by the Debtors.

**F. Revocation, Withdrawal, or Non-Consummation.**

**1. Right to Revoke or Withdraw.**

The Creditors' Committee reserves the right to revoke or withdraw the Plan at any time prior to the Confirmation Date.

**2. Effect of Withdrawal, Revocation, or Non-Consummation.**

If the Creditors' Committee revokes or withdraws the Plan prior to the Confirmation Date, or if the Plan Effective Date does not occur, the Plan, any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain any Claim or Interest or Class of Claims or Interests), the assumption or rejection of executory contracts, unexpired leases, insurance policies or benefit plans effected by the Plan, any release, exculpation or indemnification provided for in the Plan, and any document or agreement executed pursuant to the Plan shall be null and void. In such event, nothing contained herein, and no acts taken in preparation for consummation of the Plan, shall be deemed to constitute a waiver or release of any Claims by or against or Interests in the Debtors or any other Person, to prejudice in any manner the rights of the Debtors or any Person in any further proceedings involving the Debtors, or to constitute an admission of any sort by the Debtors or any other Person.

Dated: October 9, 2009

**THE OFFICIAL COMMITTEE OF  
UNSECURED CREDITORS OF YOUNG  
BROADCASTING INC. ET AL.**

By:           /s/ Andrew N. Rosenberg          

Name:           Andrew N. Rosenberg