

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
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<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	Order Confirming Second Amended Joint Plan of Reorganization, Second Amended Joint Plan of Reorganization, and Supplement to Second Amended Joint Plan of Reorganization

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Bankruptcy Judge, United States Bankruptcy Court, Western District of Pennsylvania		06/05/2007	Bankruptcy Court:

**RECEIVING PARTY DATA**

<b>Name:</b>	Iron City Brewing, LLC, reorganized debtor
<b>Street Address:</b>	3340 Liberty Avenue
<b>City:</b>	Pittsburgh
<b>State/Country:</b>	PENNSYLVANIA
<b>Postal Code:</b>	15201
<b>Entity Type:</b>	LIMITED LIABILITY COMPANY: DELAWARE

**PROPERTY NUMBERS Total: 23**

Property Type	Number	Word Mark
Registration Number:	0643376	AMERICAN
Registration Number:	2128307	AMERICAN LIGHT
Registration Number:	1482628	AMERICAN LIGHT MADE IN THE USA
Registration Number:	1920059	AMERICAN MADE IN THE USA
Registration Number:	2478537	AUGUSTINER
Registration Number:	1855907	I.C. GOLDEN LAGER
Registration Number:	1349866	I-C GOLDEN LAGER
Registration Number:	1358351	I.C. LIGHT
Registration Number:	2206232	I-C-LIGHT
Registration Number:	2204537	I.C. LIGHT TWIST
Registration Number:	1809461	IRON CITY
Registration Number:	0582833	IRON CITY

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Registration Number:	2575139	IRON CITY BEER
Registration Number:	2091023	IRON CITY BEER PITTSBURGH BREWING CO.
Registration Number:	1421367	IRON CITY DARK
Registration Number:	1799580	J.J. WAINWRIGHT'S
Registration Number:	2211888	
Registration Number:	1441389	MUSTANG
Registration Number:	1451189	MUSTANG MALT LIQUOR
Registration Number:	1416875	OLD FROTHINGSLOSH
Registration Number:	2094751	OLD GERMAN
Registration Number:	1811001	PITTSBURGH BREWING CO.
Registration Number:	0600470	STERLING

**CORRESPONDENCE DATA**

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ATTORNEY DOCKET NUMBER:	129994-01000
NAME OF SUBMITTER:	Zachary A. Aria
Signature:	/Zachary A. Aria/
Date:	08/11/2008

**Total Attachments: 44**

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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

IN RE:	§	
	§	
PITTSBURGH BREWING	§	Bankruptcy No: 05-50347-MBM
COMPANY, INC. AND KEYSTONE	§	
BREWERS HOLDING CO.,	§	Chapter 11
	§	
Debtors.	§	Jointly Administered
	§	

SECOND AMENDED JOINT PLAN OF REORGANIZATION

Pittsburgh Brewing Company, Inc. ("PBC") and Keystone Brewers Holding Co. ("Keystone" and together with PBC, the "Debtors") and Pittsburgh Brewing Acquisition, LLC ("PBA"), jointly propose the following Second Amended Joint Plan of Reorganization ("Plan") pursuant to Section 1121(a) of Title 11 of the United States Code. Reference is made to the Second Amended Disclosure Statement (the "Disclosure Statement") for a discussion of the Debtors' history, business, properties and results of operations, and for a summary of this Plan and certain related matters.

All holders of Claims and Equity Interests are encouraged to read the Plan and the Disclosure Statement in their entirety before voting to accept or reject this Plan. No materials, other than the Disclosure Statement and any exhibits and schedules attached thereto or referenced therein, have been approved by the Debtors for use in soliciting acceptances or rejections of this Plan.

**ARTICLE 1**  
**Summary of Plan**

An overview of the Plan is set forth in the Disclosure Statement. PBA will be the financial sponsor of the Plan. Pursuant to the Plan, the Debtors will be recapitalized with PBA providing capital to fund operations and payments pursuant to the Plan.

**ARTICLE 2**  
**Definitions**

The following terms when used in the Plan will, unless the context otherwise requires, have the following meanings respectively:

**2.1. Adjusted PBA Investment:** The Initial PBA Investment, plus any amount of Cash or other property provided to the Reorganized Debtor by a Transaction Party subsequent to the Effective Date as reasonably necessary to fund the Reorganized Debtor's operations, minus any dividends or other distributions from the Reorganized Debtor received by PBA or any other Transaction Party.

**2.2. Administrative Claim:** Any cost or expense of administration of the Chapter 11 Cases incurred on or before the Effective Date entitled to priority under Section 507(a)(2) and allowed under Section 503(b) of the Bankruptcy Code, including without limitation, any actual and necessary expenses of preserving the Debtors' estates, including wages, salaries or commissions for services rendered after the commencement of the Chapter 11 Cases, certain taxes, fines and penalties, any actual and necessary post-petition expenses of operating the businesses of the Debtors, certain post-petition indebtedness or obligations incurred by or assessed against the Debtors in connection with the conduct of their businesses, or for the acquisition or lease of property, or for providing of services to the Debtors, including all allowances of compensation or reimbursement of expenses to the extent allowed by the Bankruptcy Court under the Bankruptcy Code, and any fees or charges assessed against the Debtors' estates under Chapter 123, Title 28, United States Code.

**2.3. Allowed Administrative Claim:** All or that portion of any Administrative Claim which either (a) has been allowed by Final Order; (b) was incurred by the Estates of the Debtors in the ordinary course of business during these reorganization proceedings; or (c) as has been agreed to by the Claimant and the Plan Proponents.

**2.4. Allowed Claim:** Any Claim (a) allowed by Final Order of the Court; (b) for which a proof of claim was filed on or before the bar date and as to which no objection has been timely filed; (c) for which a proof of claim was not filed, is listed in the Debtors' Schedules of Assets and Liabilities, and is not listed as disputed, contingent, or unliquidated; (d) that is deemed allowed by this Plan; or (e) as has been agreed to by the Claimant and the Plan Proponents.

**2.5. Allowed Priority Non-Tax Claim:** Any Claim, other than an Administrative Expense Claim or a Priority Tax Claim, to the extent Allowed and entitled to priority in payment under Section 507(a) of the Bankruptcy Code.

**2.6. Allowed Priority Tax Claim:** Any Claim specified in Section 4.6 of the Plan.

**2.7. Allowed Secured Claim:** An Allowed Claim secured by a lien, security interest or other charges against or interest in property in which either Debtor has an interest, or which is subject to setoff under Section 553 of the Bankruptcy Code, to the extent of the value (determined in accordance with Section 506(a) of the Bankruptcy Code) of the interest of the holder of such Allowed Claim in the Debtors' interest in such property or to the extent of the amount subject to such setoff as the case may be.

**2.8. Applicable Period:** Individually, (a) the period from the Effective Date to December 31, 2007; (b) each of the four twelve-month periods thereafter through December 31, 2011; and (c) the period from January 1, 2012 through the five-year anniversary of the Effective Date.

**2.9. Bankruptcy Code:** Title 11 of the United States Code, 11 U.S.C. 101 *et seq.*, and any amendments thereto.

**2.10. Case Professionals:** Case Professionals are the professionals retained in these Chapter 11 Cases by Final Order of the Court: Robert O Lampl; Arent Fox, LLP; Chatsworth Securities, LLC; McGuire Woods, LLP; and Pascarella & Wiker, LLP.

**2.11. Chapter 11 Cases:** The Debtors' Chapter 11 bankruptcy cases styled *In re Pittsburgh Brewing Company, Inc.*, case no. 05-50347, filed on December 7, 2005 and *In re Keystone Brewers Holding Co.*, case no. 06-20971, filed on March 10, 2006, jointly administered under case no. 05-50347.

**2.12. Claim:** Any right to payment, or right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, against the Debtors in existence whether or not such right to payment or right to an equitable remedy is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, secured or unsecured.

**2.13. Claimant or Claimholder:** A person asserting a Claim against the Debtors, property of the Debtors, or the Debtors' Estates.

**2.14. Class:** Any class into which Allowed Claims or Allowed Equity Interests are classified pursuant to Article 3 hereof.

**2.15. Confirmation Date:** The date on which the Order confirming the Plan is entered by the Court.

**2.16. Confirmation Order:** The Order of the Bankruptcy Court approving and confirming the Plan.

**2.17. Contested Claims:** Any claim for which a proof of claim and an objection to such proof of claim have been filed with the Court and the allowance or disallowance of which shall not have been determined by the Court as of the Effective Date.

**2.18. Counsel for the Debtors:** Robert O Lampl and/or John P. Lacher.

**2.19. Court:** The United States Bankruptcy Court for the Western District of Pennsylvania where the Chapter 11 Cases are pending, and any Court having competent jurisdiction to hear appeals or certiorari proceedings therefrom.

**2.20. Creditors' Committee:** The Official Committee of Unsecured Creditors constituted in the Chapter 11 Cases pursuant to Section 1102 of the Bankruptcy Code.

**2.21. Cure Amount:** The amount of cash required for the cure necessary to assume or assume and assign an Executory Contract under Bankruptcy Code § 365(b) as determined by the Court or pursuant to any agreement among the Debtors and the other party or parties to the Executory Contract.

**2.22. Debtors:** Pittsburgh Brewing Company, Inc. and Keystone Brewers Holding Co.

**2.23. DIP Loan Facilities:** The "Original DIP Loan Facility" and the "Second DIP Loan Facility" as described in Section 4.1 herein.

**2.24. Disclosure Statement:** The Second Amended Disclosure Statement of the Debtors describing the Plan, as amended or supplemented, as approved by the Court.

**2.25. Distribution:** A distribution of cash or other non-cash consideration made by the Debtors or Reorganized Debtor.

**2.26. Distribution Date:** Any date that a Distribution is made under the Plan.

**2.27. Distribution Reserve:** A reserve established to hold, in an account to be established by the Reorganized Debtor, cash equal to the cash that would have been distributed on the Distribution Date on account of disputed or undetermined claims once those claims have been determined to be Allowed Claims.

**2.28. Distributors:** The primary or original suppliers of PBC's Products within their exclusive territories, including: Morelli & Sons, Inc.; O'Donnell's Distributing, Inc.; Vecemie Distributing Company; Faris Distributors; Tony Savatt, Inc. Greensburg; and Santiago Distributing Co., Inc.

**2.29. Divestiture Event:** The divestiture, disposition or sale of (i) any material assets or properties of the Reorganized Debtor or (ii) the sale of any membership interests, capital stock, or other equity interests of a Transaction Party, by way of merger, consolidation, combination, reorganization, share exchange, stock sale, or other corporate transactions.

**2.30. Effective Date:** The date upon which all the conditions to the effectiveness of the Plan have been satisfied or waived and the material terms of the Plan are implemented and effective.

**2.31. Equity Interests:** All issued, unissued, authorized or outstanding capital stock, partnership interests, membership interests, and any other equity security (as defined in 11 U.S.C. §101(16)) in either Debtor and all warrants, options, and rights (whether fixed or contingent, matured or unmatured, disputed or undisputed), whether contractual, legal, equitable, or otherwise to acquire such equity interests.

**2.32. Estates:** The estates created upon the filing of the Chapter 11 Cases pursuant to Section 541 of the Bankruptcy Code, together with all rights, claims and interests appertaining thereto.

**2.33. Excess Consideration:** The sum of the aggregate consideration (which includes Cash, plus the fair value of other property received by a Transaction Party in connection with a Transaction or series of Transactions), minus the sum of (a) the then existing Adjusted PBA Investment, (b) a return of eighteen percent (18%) per annum on the Adjusted PBA Investment, and (c) usual and customary expenses for a transaction of that type. If the Transaction is a Divestiture Event involving the Reorganized Debtor, then Excess Consideration shall be the sum

of the aggregate consideration (cash, plus the fair value of property received) received by the Reorganized Debtor in connection with such Transaction, minus (a) the then existing Adjusted PBA Investment, (b) a return of eighteen percent (18%) per annum on the Adjusted PBA Investment, (c) any indebtedness of the Reorganized Debtor which remains an obligation of the Reorganized Debtor following the Transaction, and (d) any obligations that must be satisfied in conjunction with the Transactions, including without limitation, professional fees, employee severance, other payments to employees, and tax liability attendant to the Transactions.

**2.34. Executory Contracts:** "Executory contracts" and "unexpired leases" as such terms are used within Bankruptcy Code §365, including all operating leases, capital leases, and contracts to which either Debtor is a party or beneficiary on the Confirmation Date.

**2.35. Existing CBA:** The collective bargaining agreement entitled Agreement Between Pittsburgh Brewing Company and International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers, IUE-CWA-AFL-CIO Locals 22B and 144B, dated May 2, 2005-April 30, 2010.

**2.36. Final Order:** An order or judgment (a) as to which the time to appeal, petition for certiorari, or move for re-argument or rehearing has expired; or (b) in the event an appeal, writ of certiorari, or motion for re-argument or rehearing has been filed, such judgment or order has not been reversed, modified, stayed or amended.

**2.37. Initial PBA Investment:** The sum of (a) aggregate amount of Cash or other property provided pursuant to the Plan (including liabilities assumed, and including but not limited to payment obligations under the Plan) by PBA or any other Transaction Party as of the Effective Date, (b) the amount of PBA's Claims arising pursuant to the DIP Loan Facilities that are converted to equity (but only to the extent not already included in items (a) and (c) herein), and (c) amount of PBA's fees and expenses in connection with these Chapter 11 cases (but only to the extent not already included in items (a) and (b) herein).

**2.38. IP Transfer Event:** Any sale, transfer, license, lease, conveyance, exchange, royalty arrangement, or other disposition of or, relinquishment of exclusive right to, any material patents, trademarks, trade secrets, or other intellectual property of the Reorganized Debtor as of the Effective Date or which are subsequently obtained or acquired during the Transaction Period, including but not limited to the trademarks relating to the Iron City, IC Light and Augustiner brands.

**2.39. IUE-CWA Pension Plan or Pension Plan:** The union-sponsored multi-employer retirement plan provided by the members of the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers-Communications Workers of America, AFL-CIO (the "IUE-CWA" or the "Union") and referenced in the Memorandum of Agreement between the Debtors and the IUE-CWA Pension Fund Multiemployer Plan, dated June 6, 2005.

**2.40. New CBA:** The collective bargaining agreement entitled Agreement between Pittsburgh Brewing Acquisition, LLC and International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers, IUE-CWA-AFL-CIO, Locals 22B and 144B.



2.41. **FAC:** The Plan Administration Committee, the committee of three individuals selected by the Creditors' Committee, to perform the functions elaborated in Sections 6.3 and 6.4 of this Plan.

2.42. **PBA:** Pittsburgh Brewing Acquisition LLC, a co-proponent of this Plan.

2.43. **Pension Fund:** The IUE-CWA Pension Fund which is governed by the IUE-CWA Pension Plan.

2.44. **Petition Date:** The date on which the Debtors filed their voluntary Chapter 11 petitions commencing the Chapter 11 Cases.

2.45. **Plan:** This Second Amended Joint Plan of Reorganization, as it may hereafter be amended or modified in accordance with the terms hereof and the Bankruptcy Code.

2.46. **Plan Ballot:** The form of ballot which the Debtors will transmit to Creditors who are, or may be, entitled to vote on the Plan.

2.47. **Plan Proponents:** The Debtors and PBA collectively.

2.48. **Plan Supplement:** The documents including the list of the Executory Contracts, if any, to be assumed pursuant to the Plan, that shall be contained in a separate Plan Supplement filed with the Clerk of the Bankruptcy Court at least fifteen (15) days prior to the date on which the Confirmation Hearing shall commence or such shorter period as ordered by the Bankruptcy Court.

2.49. **Post-Confirmation Service List:** The list of those persons who have notified the Reorganized Debtor in writing, at or following the Confirmation Hearing, of their desire to receive electronic notice of all pleadings filed by the Reorganized Debtor and have provided the e-mail address to which such notices shall be sent.

2.50. **Products:** All brands manufactured, marketed or licensed by the Debtors regardless of whether they currently are marketed or are dormant.

2.51. **Real Property:** That certain real property and improvements thereon located at 3340 Liberty Avenue, Pittsburgh, Pennsylvania, on which the Debtors operate their brewery.

2.53. **Reorganized Debtor Adjusted Net Income:** Net income as determined in accordance with U.S. generally accepted accounting principles for the Applicable Period plus the sum of (i) deferred tax expense, (ii) any amounts paid or accrued to a Transaction Party under a management agreement with the Reorganized Debtor, and (iii) interest expenses incurred on debt owed to any Transaction Party.

2.54. **Reorganized Debtor Available Adjusted Net Income:** The Reorganized Debtor Adjusted Net Income for the Applicable Period, less an amount equal to eighteen percent (18%)

of the Adjusted PBA Investment for the same Applicable Period.

**2.55. Secured Claim:** A Claim to the extent of the value, as may be determined by the Bankruptcy Court pursuant to Section 506(a) of the Bankruptcy Code, of any interest in property of the Debtors' estates securing such Claim, or any Claim to the extent that it is subject to setoff under Section 553 of the Bankruptcy Code. To the extent that the value of such interest is less than the amount of the Claim which has the benefit of such security, such Claim is a deficiency Claim unless, in any such case, the class of which such Claim is part makes a valid and timely election under Section 1111(b) of the Bankruptcy Code to have such Claim treated as a Secured Claim to the extent Allowed.

**2.56. Transaction:** (a) a "Divestiture Event" or (b) an IP Transfer Event.

**2.57. Transaction Parties:** Collectively PBA, or its respective current and future parent entities, each individually, a "Transaction Party".

**2.58. Union:** The International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers-Communications Workers of America, AFL-CIO (the "IUE-CWA").

**2.59. Unsecured Claim:** A Claim not secured by a charge, mortgage or lien against or interest in property in which the Debtors' estates have an interest, including but not limited to any deficiency Claim and any claim for damages resulting from the rejection of an Executory Contract.

### ARTICLE 3

#### Classification of Claims and Equity Interests; Impairment

##### 3.1. Classification

A Claim or Equity Interest is classified in a particular class only to the extent that the Claim or Equity Interest qualifies within the description of that class, and is classified in another class or classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other class or classes. A Claim or Interest is classified in a particular class only to the extent that the Claim or Equity Interest is an Allowed Claim or Allowed Interest in that class and has not been paid, released or otherwise satisfied before the Effective Date; a Claim or Interest which is not an Allowed Claim or Interest is not in any Class. Notwithstanding anything to the contrary contained in the Plan, no distribution shall be made on account of any Claim or Equity Interest which is not an Allowed Claim or Allowed Interest.

##### 3.2. Identification of Classes

The following are the designations for the Classes of Claims against and Equity Interests in the Debtors:

- (a) **Class 1:** Claims of Certain Administrative, Secured and Priority Creditors.

- Class 1.1: Claims of UPMC Health Plan, Inc. ("UPMC")
- Class 1.2: Claims of the Pension Fund.
- Class 1.3: Claims of MeadWestvaco Packaging Systems, LLC and MeadWestvaco Corporation (together "MWV")

(b) **Class 2: Secured Claims**

- Class 2.1: Secured Claims of Jack P. Cerone ("Mr. Cerone")
- Class 2.2: Secured Claim of the United States Alcohol & Tobacco Tax & Trade Bureau ("TTB") (the "TTB Secured Claim")
- Class 2.3: Secured Claim of the Pennsylvania Industrial Development Authority ("PIDA") (the "PIDA Secured Claim")
- Class 2.4: Secured Claim of PWSA ("PWSA Secured Claim")

(c) **Class 3 General Unsecured Claims**

(d) **Class 4 Distributor Claims**

(e) **Class 5 Equity Interests**

**3.3. Impaired Classes**

All Claims and Equity Interests are Impaired under the Plan. All holders of Impaired Claims and are entitled to vote to accept or reject the Plan, except as provided in the following paragraph.

Equity Interest holders in Class 5 will not retain their Equity Interests, and no Distributions on account of such Equity Interests will be made under the Plan. Under Bankruptcy Code §1126(g), such interest holders are conclusively presumed to have rejected the Plan, and therefore their votes will not be solicited.

**ARTICLE 4**

**Designation and Treatment of Unclassified Claims**

In accordance with Bankruptcy Code §1123(a)(1), Administrative Expense Claims and Tax Claims described below have not been classified. The Administrative Expense Claims and Tax Claims asserted in the Chapter 11 Cases are listed below along with the Debtors' proposed treatment.

**4.1. Superpriority Administrative Expense Claims**

Financing in the amount of \$500,000 was provided by PBA pursuant to the Court's Interim Financing Order (entered December 21, 2006) Authorizing Borrowing with Priority over Administrative Expenses and Secured Liens on Property of the Estates (the "Original DIP Loan

Facility"). The Original DIP Loan Facility in the amount of \$500,000 was to have been repaid in full in cash on the Maturity Date, such Maturity Date being the earlier of March 31, 2007 or the Confirmation Date of the Plan. PBA agreed to extend the Maturity Date until the earlier of the Effective Date or May 31, 2007. Additionally, on April 5, 2007, the Debtors filed their Second Motion for Interim Financing Order Authorizing Borrowing with Priority Over Administrative Expenses and Secured by Liens on Property of the Estates, which, if approved, will allow the Debtors to borrow an additional \$250,000 from PBA (the "Second DIP Loan Facility") with the same Maturity Date as the Original DIP Loan Facility. PBA has agreed to convert its Claims arising from the Original DIP Loan Facility and the Second DIP Loan Facility into equity in PBA on the Effective Date.

#### **4.2. Professional Fees**

As soon as possible after a Final Order approving fees and expenses of Case Professionals is entered, and unless the Reorganized Debtor and any specific Case Professional have agreed to different treatment, they will receive cash equal to forty percent (40%) of the allowed and unpaid amount of their fees and expenses and a promissory note for the remaining sixty percent (60%) of the allowed and unpaid amount of their professional fees (the "Professional Fee Note"). The Professional Fee Note shall not bear interest and shall be payable in eight (8) equal quarterly installments beginning 90 days after the Effective Date.

#### **4.3. United States Trustee Fees**

All fees payable pursuant to 28 U.S.C. §1930 shall be paid in full in cash prior to the Effective Date of the Plan.

#### **4.4. Allowed Administrative Expense Claims**

Subject to the conditions set forth in Section 11.2 of this Plan, Allowed Administrative Expense Claims shall be paid in full or as agreed between the Administrative Expense Claimant and the Plan Proponents. To the extent that the due date for a specific Allowed Administrative Expense Claim has not occurred on or before the Effective Date, that specific claim shall be paid on or before the specific due date.

#### **4.5. Administrative Claims Bar Date**

**4.5.1. General Provisions:** Except as provided below in Sections 4.5.2 and 4.5.3 of the Plan, requests for payment of Administrative Expense Claims must be filed no later than forty-five (45) days after the Effective Date. Holders of Administrative Expense Claims (including, without limitation, professionals requesting compensation or reimbursement of expenses and the holders of any Claims for federal, state or local taxes) that are required to file a request for payment of such Claims and that do not file such requests by the applicable bar date shall be forever barred from asserting such Claims against the Debtors, the Reorganized Debtor, or any of their respective property.

**4.5.2. Professionals:** All professionals or other entities requesting compensation or reimbursement of expenses pursuant to Sections 327, 328, 330, 331, 503(b) and 1103

of the Bankruptcy Code for services rendered before the Effective Date (including, without limitation, any compensation requested by any professional or any other entity for making a substantial contribution in the Chapter 11 Cases) shall file and serve on the PAC, the Reorganized Debtor, and the persons on the Post-Confirmation Service List an application for final allowance of compensation and reimbursement of expenses no later than forty-five (45) days after the Effective Date. Objections to applications of professionals for compensation or reimbursement of expenses must be filed and served on the PAC, the Reorganized Debtor, the persons on the Post-Confirmation Service List, and the professionals to whose application the objections are addressed no later than seventy (70) days after the Effective Date. Any professional fees and reimbursements or expenses incurred by the Reorganized Debtor subsequent to the Effective Date may be paid without application to the Bankruptcy Court.

**4.5.3. Tax Claims:** All requests for payment of Administrative Expense Claims and other Claims by a governmental unit for taxes (and for interest and/or penalties related to such taxes) for any tax year or period, which accrued or was assessed within the period from and including the Petition Date through and including the Effective Date ("Post-Petition Tax Claims") and for which no bar date has otherwise been previously established, must be filed on or before the later of (a) 45 days following the Effective Date or (b) 90 days following the filing with the applicable governmental unit of the tax return for such taxes for such tax year or period. Any holder of any Post-Petition Tax Claim that is required to file a request for payment of such taxes and does not file such a Claim by the applicable bar date shall be forever barred from asserting any such Post-Petition Tax Claim against the Debtors, the Reorganized Debtor, or their property, whether any such Post-Petition Tax Claim is deemed to arise prior to, on, or subsequent to the Effective Date. To the extent that the holder of a Post-Petition Tax Claim holds a lien to secure its Claim under applicable state law, the holder of such Claim shall retain its lien until its Allowed Claim has been paid in full.

#### **4.6. Priority Tax Claims**

##### **4.6.1. Designated Priority Tax Claims**

(a) Internal Revenue Service ("IRS"): The IRS has a Priority Tax Claim in an amount not to exceed \$310,000.

(b) Pennsylvania Department of Revenue ("PA Revenue"): The Claims of PA Revenue will be Allowed Claims and paid as part of the Plan in amounts and with payment terms as set forth in a Stipulation to be entered into between the Debtors and PA Revenue.

(c) Allegheny County: Allegheny County has asserted a Priority Tax Claim in the amount of \$38,872.70 for prepetition real property taxes.

(d) City of Pittsburgh: The City of Pittsburgh has asserted a Priority Tax Claim in the amount of \$50,783.69 for prepetition real property taxes.

(e) Additional Priority Tax Claims: None.

#### 4.6.2. Treatment of Designated Allowed Priority Tax Claims

(a) IRS: The IRS's Allowed Priority Tax Claim, not to exceed \$310,000, will be paid in full with interest after the Effective Date at the rate of six percent (6%) per annum, in equal quarterly installments in accordance with Bankruptcy Code §1129(a)(9)(C) with the first such payment commencing 90 days after the Effective Date of the Plan.

(b) PA Revenue: The Claims of PA Revenue will be Allowed Claims and paid as part of the Plan in amounts and with payment terms as set forth in a Stipulation to be entered into between the Debtors and PA Revenue.

(c) Allegheny County: The Allowed Amount, if any, of the Allegheny County Priority Tax Claim will be paid in full, with interest from the Effective Date at six percent (6%) per annum, in equal monthly installments in accordance with Bankruptcy Code §1129(a)(9)(C) commencing 90 days after the Effective Date of the Plan. Any lien in respect of the Allegheny County Priority Tax Claim shall be extinguished by operation of this Plan.

(d) City of Pittsburgh: The Allowed Amount, if any, of the City of Pittsburgh Priority Tax Claim will be paid in full, with interest from the Effective Date at six percent (6%) per annum, in equal monthly installments in accordance with Bankruptcy Code §1129(a)(9)(C) commencing 90 days after the Effective Date of the Plan. Any lien in respect of the City of Pittsburgh Priority Tax Claim shall be extinguished by operation of this Plan.

(e) Additional Allowed Priority Tax Claims: On, or as soon as reasonably practicable after, the later of (a) the Effective Date, or (b) the Allowance Date, each Holder of an Allowed Priority Tax Claim (other than the IRS or Commonwealth of Pennsylvania) against the Debtors shall receive in full satisfaction, settlement, release and discharge of, and in exchange for, such Allowed Priority Tax Claim, (i) Cash equal to the amount of such Allowed Priority Tax Claim plus interest from the Effective Date to the Distribution Date at a rate of six percent (6%) per annum paid in equal quarterly installments in accordance with Bankruptcy Code §1129(a)(9)(C) with the first such payment commencing 90 days after the Effective Date of the Plan, or (ii) such other less favorable treatment to the Holders of an Allowed Priority Tax Claim as to which the PAC or the Reorganized Debtor and the Holder of such Allowed Priority Tax Claims shall have agreed upon in writing, provided, however, that any Claim or demand for payment of a penalty (other than a penalty of the type specified in Section 507(a)(8)(G) of the Bankruptcy Code) shall be disallowed pursuant to the Plan, and the Holder of an Allowed Priority Tax Claim shall not be allowed to assess or attempt to collect such penalty from the Debtors, their Estates, the Reorganized Debtor or their property.

**ARTICLE 5**  
**Treatment of Classified Claims and Equity Interests**

**5.1. Certain Administrative, Priority, and Secured Creditors (Classes 1.1 through 1.4)**

(a) Class 1.1 Claims of UPMC

UPMC asserts an Administrative Claim in the amount of \$159,000 for post-petition health insurance premiums and a Priority Claim in the amount of \$305,911.66 for contributions to an employee benefit plan pursuant to Section 507(a)(5) of the Bankruptcy Code (the "UPMC Claims"). The UPMC Claims shall be Allowed claims in the amount of \$159,000 payable as follows: \$100,000 in cash on or about the Effective Date and \$59,000 in cash to be held in escrow (the "Escrowed Funds"). Additionally, on the Effective Date, UPMC agrees to provide health insurance coverage to the Reorganized Debtor on terms which are acceptable to both the Reorganized Debtor and UPMC. In the event that the Reorganized Debtor remains current on its premium payments to UPMC for a period of one year from the Effective Date, the Escrowed Funds will be repaid to the Reorganized Debtor. In the event that the Reorganized Debtor defaults on its premium payments to UPMC, the Escrowed Funds shall be paid to UPMC.

(b) Class 1.2 Claims of the Pension Fund

The Pension Fund asserts an Administrative Claim of not less than \$860,656.64, a priority unsecured claim of \$111,941.92, and a General Unsecured Claim of not less than \$4,731,355.60 (the "Pension Plan Claims"). The Pension Plan Claims shall be Allowed Claims and paid in accordance with the Settlement Agreement and Release (the "Settlement Agreement") executed by and among the Pension Fund, the Pension Fund's Trustees, the Debtors, PBA, and the Creditors' Committee filed with the Court on or about April 12, 2007. The Settlement Agreement is incorporated herein as an integral part of the Plan.

(c) Class 1.3 Claims of MWV

The Stipulation and Consent Order dated October 3, 2006 (the "Consent Order") (Docket #383) entered into by MWV and PBC, as Debtor in Possession, relating to PBC's assumption and the extension of the term of two equipment leases under which PBC leases packaging machines from MWV, is incorporated in the Plan subject to the following modifications, which have been agreed to by MWV and the Plan Proponents:

(1) The amount of the monthly payment required under paragraph 10 of the Consent Order in respect of the 1250 Lease Arrearages is reduced to \$14,486.61.

(2) The provisions of paragraphs 11 through 14, inclusive of the Consent Order, relating to "Use Rentals" and "Usage Fees," are modified to require that PBC shall have accounted for and paid all such Usage Fees and Use

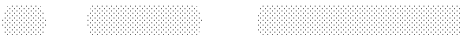
Rentals accruing from August 2, 2004 through March 31, 2007 on or before the earlier of (a) June 1, 2007, or (b) the Effective Date. Usage Fees and Use Rentals accruing after March 31, 2007 shall be paid in accordance with paragraph 13 and 14 of the Consent Order.

(3) MWV, PBC, and the Reorganized Debtor reserve their rights, contentions, and defenses in respect of MWV's claims that PBC has violated certain of MWV's patents as described in paragraph 29 of the Consent Order (the "Patent Claims"). The Patent Claims shall not be discharged, and MWV shall have forty-five (45) days from the Effective Date to file appropriate papers with the Court asserting the Patent Claims or for any relief as a result of the Patent Claims. If such papers are filed, the extent and priority of the MWV Claims will be determined by either an order of this Court or agreement between the Reorganized Debtor and MWV. To the extent that the Patent Claims are Allowed as pre-petition claims, MWV will participate as a Holder of a General Unsecured Claim. To the extent that the Patent Claims are Allowed as Administrative Claims, they will be paid in full by the Reorganized Debtor.

In the event that MWV does not file such papers within forty-five (45) days of the Effective Date, it shall forever be barred from asserting the Patent Claims against the Debtors, the Reorganized Debtor, or any of their respective property.

The treatment of the Patent Claims herein does not apply to any claims which may arise after the Effective Date ("Future Claims"), and the Reorganized Debtor and MWV reserve all rights, contentions, and defenses in respect of any Future Claims.

The obligations of PBC and the Reorganized Debtor under the Consent Order as so modified shall not be subject to the Fifty Thousand Dollar (\$50,000.00) cap referred to in Section 8.1 of the Plan.



(1) On the Effective Date, PWSA's Administrative Claim shall be paid as follows:

(A) PWSA shall apply the \$55,000 deposit that it is holding against the outstanding balance.

(B) The remaining balance after application of the deposit shall be paid in full.

(2) The PWSA Secured Claim shall be allowed in the amount of \$1,500,000 and shall be satisfied as follows:

(A) \$500,000 payable as follows: \$200,000 on the Effective Date and three (3) equal annual installments of \$100,000 payable on each of the first, second, and third anniversaries of the Effective Date.



(B) In the event that the conditions specified in Section 5.1(d)(3) below are satisfied on the date of any specific reduction, the remaining \$1,000,000 (the "Contingent Claim") shall be reduced as follows:

(i) On the first anniversary of the Effective Date, the Contingent Claim shall be reduced to \$600,000.

(ii) On the date which is eighteen (18) months after the Effective Date, the Contingent Claim shall be reduced to \$450,000.

(iii) On the second anniversary of the Effective Date, the Contingent Claim shall be reduced to \$300,000.

(iv) On the date which is thirty (30) months after the Effective Date, the Contingent Claim shall be reduced to \$150,000.

(v) On the third anniversary of the Effective Date, the Contingent Claim shall be reduced to \$0.

(3) Conditions to Reductions.

(A) Payment of the Administrative Claim pursuant to Section 5.3(d)(1) above.

(B) Completion of the purchase, installation, and placement into production of capital improvements including a new boiler system and keg line (currently estimated at \$4,000,000) prior to the first anniversary of the Effective Date.

(C) Continued operations at the current Pittsburgh Brewing Company facility at the time of any specific reduction pursuant to Section 5.3(d)(2) above.

(D) Timely payment of all water and sewer charges (subject to a reasonable cure period after written notice of any non-payment).

(E) Timely payment of all County, Municipal and School District real estate taxes (subject to a reasonable cure period after written notice of any non-payment).

(4) It is anticipated that the Reorganized Debtor will obtain financing from new lenders secured by all of the assets of the Reorganized Debtor for operating the business, purchasing equipment, and enhancing the brewery. Until such time as any such financings are obtained, the lien currently existing as a

result of the PWSA Secured Claim (the "Existing PWSA Lien") shall remain in place.

Additionally, at that time, the Reorganized Debtor shall grant the PWSA a second lien on certain tangible assets owned by the Reorganized Debtor in an amount which, when combined with the assets currently secured by the Existing PWSA Lien, shall have a fair market value sufficient to secure one hundred and ten percent (110%) of the outstanding balance of the Contingent Claim (the "110% Protection"). Every six months, PWSA shall have the option to have an appraisal of the assets securing the Contingent Claim in order to assure that the 110% Protection exists. In the event that any appraisal shows that the 110% Protection does not exist at a particular time, the Reorganized Debtor shall grant a lien on additional assets to restore the 110% Protection.

(5) Public Assistance. Through any combination of the Commonwealth of Pennsylvania, Allegheny County, City of Pittsburgh, Urban Redevelopment Authority ("URA") or PWSA (collectively, the "Public") facilities, the Reorganized Debtor will, on the Effective Date, receive a commitment for the following Public support:

(A) Within 60 days of the Effective Date, the Reorganized Debtor shall receive a grant in the amount of \$250,000 and a low interest loan in the amount of \$200,000.

(B) On the first anniversary of the Effective Date, the Reorganized Debtor shall receive a low interest loan in the amount of \$200,000.

(C) On the second anniversary of the Effective Date, the Reorganized Debtor shall receive a low interest loan in the amount of \$100,000 (together the loans specified in Sections 5.3(d)(5)(A), (B), and (C) shall constitute the "Low Interest Loans").

(D) Interest will begin accruing at three percent (3%) per annum on the Low Interest Loans specified above on the third anniversary of the Effective Date.

(E) The Low Interest Loans will be amortized over a five (5) year term in level monthly payments commencing on the third anniversary of the Effective Date.

(F) The Low Interest Loans will be secured by substantially all of the Reorganized Debtor's tangible assets, *pari passu*, with PWSA.

(6) Conditions to Effective Date and the agreement as outlined herein:

(A) Financial assistance from the Public on terms set forth above in Section 5.3(d)(5).

(B) Documentation of the terms of this proposal in form and substance acceptable to PWSA and PBA.

(C) Receipt and review by the City of Pittsburgh, PWSA and the URA of a three (3) year pro forma set of cash flow and income projections that demonstrate the viability of PBC for a three (3) year period.

(D) A minimum of \$3,500,000 in equity (including conversion of any DIP Loan Facilities) shall have been invested in the Reorganized Debtor.

(E) Loan facilities shall have been obtained by the Reorganized Debtor sufficient to obtain the capital improvements described in Section 5.3(d)(3)(B).

(F) A \$2,500,000 Revolving Line of Credit for the working capital needs of the Reorganized Debtor shall have been established.

(G) A copy of the New CBA shall have been provided to PWSA.

(H) Keystone Brewers Holding Company shall have been merged into PBC and all of its assets shall be the sole property of the Reorganized Debtor.

(I) All other conditions specified in Article 11 of the Plan shall have been satisfied or waived.

## 5.2. Treatment of Allowed Secured Claims (Classes 2.1 through 2.3)

### (a) Class 2.1: Secured Claims of Cerone

Mr. Cerone will continue to receive weekly interest and principal payments totaling \$9,105 on the consolidated National City Note and Provident Bank Note (the "Note") in accordance with the agreed repayment plan and schedule between Mr. Cerone and the Debtors. On the Effective Date of the Plan, the Reorganized Debtor will pay cash to Mr. Cerone in respect of Note in an amount equal to the outstanding balance of the subsequent advance made by Mr. Cerone under the Note (est. \$53,500), plus interest on such balance at the rate of one and one-quarter percent (1.25%) per month since the last payment made to Mr. Cerone on such advance under the Note. Mr. Cerone will release or upon the Reorganized Debtor's request assign to the Reorganized Debtor the National

City Note and the Provident Bank Note and any liens, mortgages or security interest securing their repayment.

On the Effective Date of the Plan, the Reorganized Debtor will enter into a consulting agreement with Mr. Cerone under which Mr. Cerone will advise the Reorganized Debtor on various matters, including labor relations, distributor expansion and relations, and other matters as appropriate. In return for these services, Mr. Cerone shall receive monthly payments of \$7,000 for a term of seven (7) years. After 48 months, the Reorganized Debtor may terminate the consulting agreement with Mr. Cerone. In the event of the Reorganized Debtor's termination of Mr. Cerone after such 48 months, the Reorganized Debtor will pay Mr. Cerone a lump sum cash amount equal to 80 percent of the unpaid balance on the consulting agreement.

On the Effective Date of the Plan, Mr. Cerone will be issued five percent (5%) of the common membership interests in PBA out of the total of common membership interests (the "Initial Common Membership Interests") to be issued by the Reorganized Debtor as of the Effective Date of the Plan. On the Effective Date of the Plan, Mr. Cerone will be issued warrants to acquire an additional five percent (5%) common membership interests in PBA. Such warrants will be exercisable at the same price paid by persons acquiring the Initial Common Membership Interests that are not issued to Mr. Cerone on the Plan Effective Date. In conjunction with the issuance of the membership interests, Mr. Cerone and PBA will enter into a customary shareholder agreement which shall include typical anti-dilution protection for stock splits and other similar events and will also include tag-along and drag-along sale rights.

On the Effective Date of the Plan, Mr. Cerone shall be appointed as a member of the Board of Managers of PBA.

On the Effective Date of the Plan, the Reorganized Debtor will reimburse Mr. Cerone for those legal fees and expenses due to Calaiaro, Corbett & Brungo, P.C. and incurred in connection with these Chapter 11 Cases, but in no event will such amount exceed \$40,000.

(b) Class 2.2: TTB Secured Claim

The TTB has asserted a Secured Claim in the amount of \$230,054.00. If allowed, the allowed amount of the TTB Secured Claim shall be paid in full with interest from the Effective Date at six percent (6%) per annum in equal quarterly installments in accordance with Bankruptcy Code §1129(a)(9)(C). Such payments shall commence 90 days after the Effective Date. The claim, if any, of American Bankers Insurance Company of Florida ("ABIC") shall not be subrogated to the priority, if any, of the TTB Claim. The claim, if any, of ABIC shall be a General Unsecured Claim in Class 3.

(c) Class 2.3: PIDA Secured Claim

PIDA claims a lien on the Real Property to secure repayment of its outstanding

Claim. PIDA shall have an Allowed Secured Claim in the amount of \$50,000, which Secured Claim shall be junior in rank to (a) liens securing the PWSA Claim, (b) liens securing the Low Interest Loans, and (c) liens securing the Reorganized Debtors' post-Effective Date financing. The Allowed Amount, if any, of the PIDA Secured Claim will be paid in full with interest after the Effective Date at six percent (6%) per annum over a five year period in equal quarterly installments commencing 90 days after the Effective Date of the Plan.

### 5.3. Treatment of Allowed General Unsecured Claims (Class 3)

(a) Holders of Allowed General Unsecured Claims shall receive and share the following in accordance with Section 5.3(b) of the Plan:

- (1) Cash. The sum of \$500,000 Cash on the Effective Date.
- (2) Note. On the Effective Date, a promissory note in the principal amount of \$200,000 bearing interest at seven percent (7%) per annum and payable in 8 quarterly \$25,000 in installments (plus interest) over 2 years with the first payment being due 90 days after the Effective Date.
- (3) Annual Profits Participation. Promptly after the end of each Applicable Period (but in no event longer than 90 days after the end of each Applicable Period), the Reorganized Debtor shall (i) pay to all holders of Allowed General Unsecured Claims an amount equal to seven and one-half percent (7.5%) of Reorganized Debtor Available Adjusted Net Income, if any, and (ii) provide counsel to the PAC a written statement setting forth in reasonable detail the calculations of Reorganized Debtor Adjusted Net Income and Reorganized Debtor Available Adjusted Net Income.
- (4) Transaction Distribution. In the event that any Transaction or series of Transactions occurs from the Effective Date until and including the fourth (4<sup>th</sup>) anniversary of the Effective Date (the "Transaction Period"), the consideration for which, either individually or in the aggregate, exceeds the Adjusted PBA Investment, then the Transaction Party, party to such Transaction, shall, within thirty days of consummation of such Transaction(s), distribute to the Holders of Allowed General Unsecured Claims, the aggregate amount of twelve and one-half percent (12.5%) of the Excess Consideration plus any other amounts then due and owing under this Section 5.3(a) herein, accompanied with a written statement (which shall also be provided to counsel to the PAC), setting forth the calculations, computing in reasonable detail, the: (A) aggregate consideration received from such Transaction(s); and (B) the amount of the Adjusted PBA Investment as of the date

of such Transaction(s). The obligation to make the payment specified in Section 5.3(a)(iv) shall be the pro rata obligation of the Transaction Parties.

- (5) Actions under Chapter 5 of the Bankruptcy Code (the "Avoidance Actions"). Any proceeds from the Avoidance Actions shall be used first to pay fees and expenses of the PAC's professionals. Any remaining proceeds shall be distributed in accordance with Section 5.3(b) and (c) below.

(b) Distributions to Holders of Allowed General Unsecured Claims shall be shared as follows:

- (1) The Pension Benefit Guaranty Corporation ("PBGC") shall receive fifty percent (50 %).
- (2) The Pension Fund shall receive seven and one-half percent (7.5%).
- (3) All other Holders of General Unsecured Claims shall receive their pro rata share of the remaining forty-two and one-half percent (42.5 %).

(c) No Holder of an Allowed General Unsecured Claim shall receive more than one-hundred percent (100%) of such Holder's Allowed General Unsecured Claim, and all Allowed General Unsecured Claims shall be paid in full before any Distribution is made to any Class junior to the Class of Allowed General Unsecured Claims.

If, as a result of Distributions being made to Holders of Allowed General Unsecured Claims, the PBGC, the Fund or the Other Holders are paid in full on account of their Allowed General Unsecured Claims (the "Paid Holder"), each remaining Distribution to the PBGC, the Fund and/or the Other Holders on account of such Holder's unpaid Allowed General Unsecured Claim (the "Unpaid Holder") shall be made on the same sharing basis set forth in Section 5.3(b), with each Unpaid Holder(s) additionally sharing equally in the Distribution that the Paid Holder(s) was entitled to under Section 5.3(b) until such time as all Allowed General Unsecured Claims are paid in full. For example, if as a result of Distributions made in accordance with Section 5.3(b) the PBGC is paid in full on account of its Allowed General Unsecured Claim, then in addition to the Distribution described in 5.3(b)(ii) and (iii), as applicable, the Fund shall receive fifty percent (50%) of the Distribution that would otherwise be distributed to the PBGC and each of the Other Holders shall share pro rata in the remaining fifty percent (50%) of the Distribution that would otherwise be distributed to the PBGC under Section 5.3(b).

#### **5.4. Treatment of Allowed Distributor Claims (Class 4)**

Pursuant to the terms of their executory contracts with the Debtors, each Distributor will continue to serve as the primary distributor within its existing territory for all brands manufactured, marketed or licensed by the Debtors ("Products"), and which each class member is currently distributing and may be entitled to purchase and distribute under such agreement

with the Debtors and applicable Pennsylvania law. Any and all outstanding pre-petition cash advances made by any of the Distributors to the Debtors shall be not be repaid in Products or in cash, but rather shall be added to the cost basis of each such Distributor's primary distribution rights. The Distributors waive, release, and discharge, and shall receive no Distribution on, Claims that they may have against the Debtors arising prior to the Effective Date.

#### **5.5. Treatment of Equity Interests (Class 5)**

Joseph Piccirilli ("Mr. Piccirilli") owns forty-four percent (44%) of the Debtors' Equity Interests. Mr. Cerone owns twenty percent (20%) of the Debtors' Equity Interests. In addition, there are approximately seventy-five (75) additional holders of Equity Interests who each hold less than five percent (5%) of the Debtors' Equity Interests. John Milne, principal of PBA, holds an Equity Interest of less than one percent (1%) in PBC as a result of an investment of approximately \$20,000 made several years ago. On the Effective Date, all Equity Interests will be cancelled.

Mr. Piccirilli will receive no Distribution under the Plan. Mr. Piccirilli will have no equity in the Reorganized Debtor nor hold a management position after the Effective Date.

In order to allow for an orderly transition, Mr. Piccirilli and the Reorganized Debtor will enter into a ninety day consulting agreement commencing on the Effective Date (the "Transition Period") under which he shall receive consulting payments equal to the salary and benefits that he currently receives from PBC. His employment and compensation shall cease at the end of the Transition Period.

### **Article 6 Means of Implementation of the Plan**

**6.1. Merger of Keystone into PBC:** Prior to the Effective Date, Keystone shall be merged with and into PBC, and the Chapter 11 Case of Keystone shall be closed, following which any and all causes of action or other proceedings that were or could have been brought or otherwise commenced in the Chapter 11 Case of Keystone, whether or not actually brought or commenced, may be continued, brought or otherwise commenced in PBC's Chapter 11 Case ; provided PBC and the Reorganized Debtor shall succeed to all rights and defenses that Keystone would have with regard to such causes of action if the merger of Keystone into PBC had not occurred.

**6.2. Cancellation of Existing Equity Securities:** PBA will be the financial sponsor of the Plan. Pursuant to the Plan, the Debtors will be recapitalized with PBA providing capital to fund the Plan. On the Effective Date of the Plan, the existing equity securities of the Debtors will be cancelled, the Debtors will convert from current corporate form into a Delaware Limited Liability Company, and one-hundred percent (100%) of the membership interests in the Reorganized Debtor will be issued to PBA.

**6.3. PAC:** The PAC shall be composed of three members selected at the Confirmation Hearing by the Creditors' Committee. The PAC shall have the power and

responsibility to object to Claims. The PAC shall have the power to engage professionals, including McGuire Woods, LLP, as counsel, to assist the PAC with respect to its responsibilities. In the event that a PAC member resigns, his or her replacement shall be selected jointly by the remaining members. After all Distributions contemplated under the Plan have been made, and all objections to Claims have been resolved, the members of the PAC shall resign their positions whereupon they shall be discharged from further duties and responsibilities.

**6.4. Objections to Claims:** After the Effective Date, the PAC shall have the exclusive right to object to the allowance of any Claims provided for under the Plan. Except as otherwise provided in the Plan, objections to Claims must be filed no later than forty-five (45) days after the Confirmation Date.

**6.5. Protection of Certain Parties in Interest: Exculpation.** The Debtors, the Reorganized Debtor, PBA, the Creditors' Committee, any member of the Creditors' Committee (collectively, the "Exculpated Persons") and any individual professional person or firm in their capacity as a representative of a member of an Exculpated Person, and any of their respective members, officers, directors, or employees shall not have or incur any liability to any holder of a Claim or Equity Interest, for any act, event, or omission, from the Petition Date to the Effective Date in connection with or arising out of the Chapter 11 Cases, the confirmation of the Plan, the consummation of the Plan, the administration of the Plan or the assets and property to be distributed pursuant to the Plan, unless such person or entity's action is determined as (a) not undertaken in good faith; (b) actual fraud; (c) willful misconduct; or (d) gross negligence. Each entity or person may reasonably rely upon the opinions of counsel, certified public accountants, and other experts or professionals employed by the Debtors, PBA, the Reorganized Debtor, or the Creditors' Committee, respectively.

**6.6. Protection of Certain Parties in Interest: Exculpation of PAC.** From and after the Effective Date, the PAC, and its respective members and representatives, including its professionals, shall be exculpated by the Debtors, the Reorganized Debtor, all holders of Claims or Equity Interests from any and all claims or causes of action and assertions of liability arising out of their performance of the duties conferred upon them by the Plan, and any Orders of the Bankruptcy Court, except to the extent an act constitutes bad faith, gross negligence, willful misconduct, or actual fraud. No holder of a Claim or Equity Interest or representative thereof shall have or pursue any claim or cause of action against the PAC, or its respective members or representatives for taking any action in accordance with the Plan, to implement the provisions of the Plan or any order of the Bankruptcy Court.

## **Article 7**

### **Distribution of Property under the Plan**

**7.1. Delivery of Distributions:** Subject to Bankruptcy Rule 9010, the Reorganized Debtor shall make all Distributions to holders of Allowed Claims. Such Distributions will be made by mail (1) at the address of each such holder as set forth on the proofs of claim filed by such holders, (2) at the address set forth in any written notice of address change delivered to the Reorganized Debtor or the Debtors after the date of any related proof of claim; or (3) at the address reflected in the Schedule of Assets and Liabilities Filed by the Debtors if no proof of



claim is filed and the Reorganized Debtor has not received a written notice or address change. If any Claimholder's Distribution is returned as undeliverable, no further Distributions to such holder will be made unless and until the Reorganized Debtor is notified in writing of such Claimholder's then current address.

**7.2. Unclaimed Distributions and Uncashed Checks:** Unclaimed Cash Distributions shall be held in trust in a segregated bank account in the name of the Reorganized Debtor for the benefit of the potential claimants of such funds. All claims for undeliverable Distributions must be made on or before the later of the first anniversary of the Effective Date of the Plan, or the ninetieth (90th) day following the date on which such Claim is Allowed. After such date, all unclaimed Distributions will be used to first pay the fees and expenses of professionals of the PAC, and then any remaining unclaimed Distributions shall be reallocated and distributed to the holders of Allowed Claims, and the Claim of any holder with respect to such Distribution will be discharged and forever barred. Checks issued in respect of Allowed Claims will be null and void if not negotiated within one year after the date of issuance thereof, and such Creditor will forfeit its right to such Distribution by its failure to negotiate such Claim. In no event shall any funds escheat to the Commonwealth of Pennsylvania.

**7.3. De Minimus Distributions:** Ratable Distributions to holders of Allowed Claims will not be made if such Distribution will result in a Distribution amount of less than \$100.00, unless a request therefore is made in writing to the Reorganized Debtor.

## **Article 8**

### **Executory Contracts and Leases**

**8.1.** On or prior to 15 days before the hearing on confirmation, PBA shall designate which Executory Contracts are to be assumed by the Debtors. The Debtors shall provide prompt notice to all Executory Contract parties if their Executory Contracts are to be assumed and the Cure Amount, if any. Any Executory Contract party who objects to the treatment of its Executory Contract or to the Cure Amount must file and serve an objection no later than one day prior to the commencement of the confirmation hearing. Failure to file such objection shall constitute agreement as to treatment and Cure Amount. To the extent Executory Contracts were assumed in stipulations approved in the Chapter 11 Cases, such stipulations will be binding on the Reorganized Debtor except as specifically modified in the Plan. Cure Amounts are not to exceed \$50,000.

The Debtors shall be deemed to have rejected each Executory Contract unless such Executory Contract (a) is designated by PBA as an Executory Contract to be assumed, (b) was assumed in a stipulation approved by the Court, or (c) previously expired or terminated. The Confirmation Order shall constitute an order of the Court under Section 365(a) of the Bankruptcy Code approving the rejection of Executory Contracts described above as of the Effective Date.

The rejection of the Existing CBA, the rejection of and withdrawal from the Pension Plan, and the rejection of any other agreements incorporated by reference in the Existing CBA or Pension Plan, shall be authorized by the Confirmation Order without the necessity for compliance with 11 U.S.C. §§1113 and 1114.

The Executory Contracts of the Distributors shall be assumed, which assumptions shall be authorized by the Confirmation Order. In no event shall the Distributors be entitled to any Cure Amount.

**8.2. Claims Based on Rejection of Executory Contracts or Unexpired Leases:** Any Claim arising from the rejection of an Executory Contract shall be a General Unsecured Claim. Any Claim for damages arising from the rejection of an Executory Contract must be asserted in a timely filed proof of claim. The bar date (deadline) for filing claims arising out of the rejection of Executory Contracts pursuant to this Plan shall be forty-five (45) days after the Effective Date. Any Claims not filed by the appropriate date shall be forever barred from assertion against the Debtors, the Reorganized Debtor, or their property.

#### **Article 9**

##### **Effect of Rejection by One or More Classes of Claims**

**9.1. Impaired Classes to Vote:** Each impaired class of Claims shall be entitled to vote separately to accept or reject the Plan. A holder of a Disputed Claim which has not been temporarily allowed for purposes of voting on the Plan may not vote except in respect of such Claim that is scheduled as fixed, liquidated, and undisputed in the Debtors' Schedules.

**9.2. Acceptance by Class of Creditors:** A class shall have accepted the Plan if the Plan is accepted by at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the Allowed Claims of such class that have voted to accept or reject the Plan.

**9.3. Reservation of Cramdown Rights:** In the event all classes under the Plan do not accept the Plan in the requisite majorities, the Debtors will move the Court to confirm the Plan notwithstanding the rejection of any class, provided that at least one class of creditors whose claims are impaired under the Plan have accepted the Plan. In such event, the Court will determine whether the Plan can be confirmed notwithstanding the rejection of the Plan by a class of creditors pursuant to Section 1129(b) of the Bankruptcy Code.

#### **Article 10**

##### **Effect of Confirmation**

**10.1 Legally Binding Effect; Release and Discharge of Debtors and the Reorganized Debtor:** On the Confirmation Date, all of the provisions of the Plan will be binding on the Debtors, the Reorganized Debtor, all claimants, all creditors and all interest holders and all other parties-in-interest who are affected (or whose interests may be affected) in any manner by the Plan. Except as specifically provided herein, the Debtors, the Reorganized Debtor, PBA and their officers, directors, agents, servants, employees, accountants, and attorneys will be released and forever discharged from and against any and all claims or rights of creditors of the Debtors of any nature arising prior to the Confirmation Date and the rights of creditors of the Debtors of any nature arising prior to the Confirmation Date will be limited to those arising under the Plan.

**10.2 Revesting of Property of Debtors in Reorganized Debtor:** Upon the Effective Date of the Plan, all property of the Debtors' Estates.

**10.4 Injunction:** Except as otherwise provided in the Plan, all Claimants of the Debtors are enjoined from threatening, commencing or continuing any lawsuit or other legal or equitable action against the Debtors, the Reorganized Debtor, or their property.

**10.5 Dissolution of Creditors' Committee:** Upon the Effective Date, the Creditors' Committee will be discharged from its duties and obligations and the Creditors' Committee will be discontinued. The Creditors' Committee's retention of counsel will immediately end; however, said counsel will still be subject to fee application requirements with the Court. The Creditors' Committee shall be reconstituted as the three-member PAC as provided above in Section 6.3 of the Plan.

**Article 11**  
**Conditions to Effectiveness of the Plan**

**11.1** The Plan will not be effective unless

- (a) the Confirmation Order becomes a Final Order; and
- (b) all other applicable corporate documents necessary or appropriate to the implementation of the Plan have been executed, delivered, and where applicable, filed with the appropriate governmental authorities.

**11.2 Additional Conditions to PBA's Obligation to Consummate Plan**

(a) The Confirmation Order shall be entered no later than June 7, 2007. All material terms of the Plan and the Confirmation Order shall be in form and substance acceptable to PBA including those terms authorizing the rejection of the Existing CBA, the rejection of and withdrawal from the Pension Plan, and the rejection of any other agreements incorporated by reference in the Existing CBA or Pension Plan.

(b) The Effective Date shall have occurred by June 8, 2007.

(c) The aggregate amount of Allowed Administrative Expense Claims, including those of Case Professionals, shall not exceed \$2,682,000.

(d) All other Allowed Secured and Priority Claims in the aggregate shall not exceed \$2,300,000.

(e) Cure Amounts in the aggregate shall not exceed \$50,000.

(f) The Allegheny County Health Department claim relating to penalties and fines in respect of unremediated High Priority Violations (HPV's) as outlined in the letter dated May 23, 2006 and the Administrative Consent Order and agreement dated August 1, 2005 shall have been resolved to PBA's satisfaction.

(g) All licenses or permits which are necessary to the operation of the business of the Reorganized Debtor shall have been properly assigned or issued.

(h) The conditions in Section 5.1(d)(5) shall have been satisfied.

#### Article 12 Retention of Jurisdiction

12.1. The Court will retain jurisdiction of the Chapter 11 Cases for the following purposes:

(g) To determine the allowance or disallowance of claims and interests(s).

(h) To fix the allowances of compensation and other administrative expenses.

(i) To determine any and all applications, motions, objections, adversary proceedings and contested or litigated matters properly before the Court and pending on the Effective Date.

(j) To modify the Plan or remedy any defect or omission or reconcile any inconsistency in the Order of Confirmation to the extent authorized by the Bankruptcy Code.

(k) To enforce provisions of the Plan relating to payments and distributions to be made to the Claimants.

(l) To determine all controversies, suits and disputes that may arise in connection with the interpretation, enforcement or consummation of this Plan or any entity's obligations in connection with the Plan;

(m) For such other matters as may be set forth in the Confirmation Order;

(n) To consider and act on the compromise and settlement of any claim or cause of action by or against the Debtors or the Reorganized Debtor;

(o) To issue orders in aid of execution and implementation of this Plan to the extent authorized by 11 U.S.C. §1142 or provided by the terms of this Plan;

(p) To decide issues concerning the federal or state tax liability of the Debtors which may arise in connection with the confirmation or consummation of this Plan; and

(g) To enter an order closing these Chapter 11 Cases.

**12.2. Limitation on Jurisdiction:** In no event shall the provisions of this Plan be deemed to confer in the Bankruptcy Court jurisdiction greater than that established by the provisions of 28 U.S.C. §§157 and 1334.

### **Article 13 Miscellaneous Provisions**

**13.1. Amendment of the Plan:** This Plan may be amended or modified by the Debtors before, or by the Reorganized Debtor after, the Effective Date as provided in Section 1127 of the Bankruptcy Code.

**13.2. Withdrawal of Plan:** The Debtors and PBA reserve the right to withdraw this Plan at any time prior to the Confirmation Date. If PBA withdraws this Plan prior to the Confirmation Date, or if the Confirmation Date or the Effective Date does not occur, then this Plan shall be deemed null and void. In such event, nothing contained herein shall be deemed to constitute an admission, waiver or release of any Claims by or against the Debtors or any other person, or to prejudice in any manner the rights of the Debtors, the Debtors' Estates or any person in any further proceedings involving the Debtors.

**13.3. Due Authorization By Creditors:** Each and every creditor who elects to participate in the Distributions provided for herein warrants that the Creditor is authorized to accept in consideration of its Claim against the Debtors the Distributions provided for in this Plan and that there are no outstanding commitments, agreements, or understandings, express or implied, that may or can in any way defeat or modify the rights conveyed or obligations undertaken by the creditor under this Plan.

**13.4. Filing of Additional Documentation:** On or before the Effective Date, the Debtors may file with the Bankruptcy Court such agreements and other documents as may be reasonably necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan.

**13.5. Governing Law:** Except to the extent the Bankruptcy Code or the Bankruptcy Rules are applicable, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to the principles of conflicts of law thereof.

**13.6. Successors and Assigns:** The rights, benefits and obligations of any entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such entity.

**13.7. Transfer of Claims:** Any transfer of a claim shall be in accordance with Bankruptcy Rule 3001(e) and the terms of this Section 13.7. Notice of any such transfer shall be forwarded to the PAC and the Reorganized Debtor by registered or certified mail, as set forth in

Section 13.8 hereof. Both the transferee and transferor shall execute any notice, and the signatures of the parties shall be acknowledged before a notary public. The notice must clearly describe the interest to be transferred. No transfer of a partial interest shall be allowed. All transfers must be of one-hundred percent (100%) of the transferee's interest in the Claim.

13.8. Notices: Any notice required to be given under this Plan shall be in writing. Any notice that is allowed or required hereunder except for a notice of change of address shall be considered complete on the earlier of (a) three days following the date the notice is sent by United States mail, postage prepaid, or by overnight courier service, or in the case of mailing to a non-United States address, air mail, postage prepaid, or personally delivered; (b) the date the notice is actually received by the Persons on the Post-Confirmation Service List by facsimile or computer transmission; or, (c) three days following the date the notice is sent to those Persons on the Post-Confirmation Service List as such Service List is adopted by the Bankruptcy Court at the hearing on confirmation of the Plan, as such Service List may be amended from time-to-time by written notice from the Persons on the Post-Confirmation Service List.

(a) If to the PAC, at:

Robert G. Sable  
James E. Van Horn  
McGuireWoods LLP  
625 Liberty Avenue, 23<sup>rd</sup> Floor  
Pittsburgh, PA 15222

(b) If to the U.S. Trustee, at:

Norma Hildenbrand, on Behalf of the United States Trustee by  
Office of the United States Trustee  
Suite 960 Liberty Center  
1001 Liberty Avenue  
Pittsburgh, PA 15222  
Email: Norma.L.Hildenbrand@usdoj.gov

(c) If to Debtors, at

Robert O Lampl  
960 Penn Avenue, Suite 1200  
Pittsburgh, PA 15222

(d) If to PBA or the Reorganized Debtor, at

Robert D. Albergotti  
Frances A. Smith  
Haynes and Boone, LLP  
901 Main Street, Suite 3100  
Dallas, TX 75202

and

Joel M. Walker  
Duane Morris LLP  
600 Grant Street, Suite 5010  
Pittsburgh, PA 15219

(e) If to a holder of an Allowed Claim or allowed interest, at the address set forth in its allowed proof of claim or proof of interest or, if none, at its address set forth in the schedules prepared and filed with the Court.

**13.9. U.S. Trustee Fees:** The Debtors will pay pre-confirmation fees owed to the U. S. Trustee on or before the Effective Date of the Plan. After confirmation, the Reorganized Debtor will file with the court and serve on the U.S. Trustee quarterly financial reports in a format prescribed by the U. S. Trustee, and the Reorganized Debtor will pay post-confirmation quarterly fees to the U.S. Trustee until a final decree is entered or the Chapter 11 Cases are converted or dismissed. 28 U.S.C. §1930(a)(6).

**13.10. Implementation:** The Debtors, the PAC, and the Reorganized Debtor shall be authorized to perform all reasonable, necessary and authorized acts to consummate the terms and conditions of the Plan.

**13.11. No Admissions:** Notwithstanding anything herein to the contrary, nothing contained in the Plan shall be deemed an admission by the Debtors with respect to any matter set forth herein, including, without limitation, liability on any Claim or the propriety of any Claim's classification.

**13.12. Insurance:** The Debtors will maintain insurance with respect to its assets listing itself and any applicable secured creditor as loss-payee.

**13.13. Discharge:** On the Effective Date, except as otherwise set forth in the Plan, promises and obligations of the Debtors to make payments as provided for in the Plan will be in full and unconditional settlement, release, discharge and satisfaction of all Claims existing against the Debtors of any nature whatsoever up to and through the date of Confirmation.

**13.14. Headings:** The headings of the Plan are for convenience only and shall not limit or otherwise affect the meaning hereof.

13.15. **Section or Article References:** Unless otherwise specified, all references in the Plan to Sections and Articles are Sections and Articles of the Plan.

Dated: May 1, 2007

Respectfully submitted,

/s/ Robert O Lampl  
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PA I.D. #62297  
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/s/ Joseph R. Piccirilli  
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/s/ Joel M. Walker  
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Pittsburgh Brewing Acquisition, LLC

/s/ Robert D. Albergotti  
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Pittsburgh Brewing Acquisition, LLC

/s/ John Milne  
John Milne  
Pittsburgh Brewing Acquisition, LLC  
Two Greenwich Office Park  
Greenwich, CT 06831



IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

IN RE:	§	
	§	
PITTSBURGH BREWING	§	Bankruptcy No: 05-50347-MBM
COMPANY, INC. AND KEYSTONE	§	
BREWERS HOLDING CO.,	§	Chapter 11
	§	
Debtors.	§	Jointly Administered
	§	

ORDER CONFIRMING SECOND AMENDED JOINT PLAN OF  
REORGANIZATION OF PITTSBURGH BREWING COMPANY, INC.  
AND KEYSTONE BREWERS HOLDING CO.

This matter came before the Court upon consideration of the Second Amended Joint Plan of Reorganization (as modified by Paragraph 1 of this Order, the "Second Amended Plan") proposed jointly by Pittsburgh Brewing Company, Inc. ("PBC") and Keystone Brewers Holding Co. ("Keystone" and together with PBC, the "Debtors") and Pittsburgh Brewing Acquisition, LLC ("PBA") (together with the Debtors, the "Plan Proponents").<sup>1</sup> The Court, having received statements of counsel and having considered the entire record before it in this case, the Second Amended Disclosure Statement to Accompany the Second Amended Joint Plan of Reorganization (the "Second Amended Disclosure Statement") and all documents submitted in support of confirmation of the Second Amended Plan, after due deliberation thereon and sufficient cause appearing therefor, makes the following findings of facts and conclusions of law:<sup>2</sup>

<sup>1</sup> All capitalized terms in this Confirmation Order not defined herein shall have the meaning defined in the Second Amended Plan.

<sup>2</sup> Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact, when appropriate. See Fed. R. Bankr. P. 7052.

ED-519864\_5.DOC

In The United States Bankruptcy Court For The Western District of Pennsylvania I, the undersigned Deputy Clerk, U.S. Bankruptcy Court in and for said District, DO HEREBY CERTIFY that this copy has been compared with the original thereof and that it is a complete and correct copy of such original as it appears on record and on file in my office.

IN TESTIMONY WHEREOF I have hereunto set my hand at Pittsburgh in said District, this 21<sup>st</sup> day of August, 2007

*[Signature]*  
Deputy Clerk

TRADEMARK

REEL: 003833 FRAME: 0033

A. The Court has jurisdiction over these Chapter 11 Cases pursuant to 28 U.S.C. §§157 and 1334. Venue is proper in this District pursuant to 28 U.S.C. §§1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. §157(b)(2).

B. On October 16, 2006, the Debtors filed their Plan of Reorganization and their Disclosure Statement.

C. On February 27, 2007, the Plan Proponents filed their First Amended Joint Plan of Reorganization ("First Amended Plan") and their First Amended Disclosure Statement to Accompany the First Amended Joint Plan of Reorganization Dated February 27, 2007 ("First Amended Disclosure Statement").

D. This Court held a hearing on April 26, 2007 (the "April 26 Hearing") on notice to all creditors, shareholders and other parties in interest to consider approval of the First Amended Disclosure Statement.

E. At the April 26 Hearing, the Plan Proponents announced certain changes to the First Amended Plan and the First Amended Disclosure Statement and, on May 1, 2007, the Plan Proponents filed the Second Amended Plan and Second Amended Disclosure Statement.

F. On May 2, 2007, this Court approved the Second Amended Disclosure Statement as containing adequate information to enable a hypothetical investor, typical of holders of Claims against or Equity Interests in the Debtors, to make an informed judgment regarding voting to accept or reject the Second Amended Plan.

G. Following approval of the Second Amended Disclosure Statement, the Official Committee of Unsecured Creditors (the "Creditors' Committee") provided the Plan Proponents with a letter to the holders of unsecured Claims against the Debtors recommending approval of the Second Amended Plan (the "Creditors' Committee Letter").

H. On May 4, 2007, PBA sent solicitation packages, including the Second Amended Plan, the Second Amended Disclosure Statement, and the Order Approving Disclosure Statement, Fixing Time for Filing Acceptances or Rejections of Plan, Fixing Time for Hearing on Plan Confirmation, and Setting Last Day for Filing a Complaint Objecting to Discharge Combined with Notice Thereof ("Solicitation Packages") to all persons on the Court's creditor matrix, or who were otherwise entitled to receive such Solicitation Packages. Also, where required by the Second Amended Plan, creditors received their appropriate Class Ballot, and all holders of Unsecured Claims and their counsel received the Creditors' Committee Letter. The Solicitation Packages constituted adequate and sufficient notice to all creditors, holders of Equity Interests, and parties in interest of the Confirmation Hearing and the objection and voting deadlines as to the Second Amended Plan, and such notice complied in all respects with the procedural orders of this Court, the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, including without limitation, Bankruptcy Rules 2002, 3018, 3019 and 9006, and the Local Rules of this Court, and otherwise satisfied the requirements of due process.

I. All Claims and Equity Interests are Impaired under the Second Amended Plan. Therefore, all holders of Impaired Claims were entitled to vote to accept or reject the Second Amended Plan, except as provided in the following paragraph.

J. Equity Interest holders in Class 5 will not retain their Equity Interests, and no Distributions on account of such Equity Interests will be made under the Second Amended Plan. Under Bankruptcy Code § 1126(g), such Equity Interest holders are deemed to have rejected the Second Amended Plan without the need or opportunity to vote.

K. Ballots accepting the Second Amended Plan have been timely received from holders of more than two-thirds in dollar amount and more than one-half in number of the

Claims voting in each of Classes 1.1, 1.2, 2.1, 3 and 4, who voted on the Second Amended Plan. On June 5, 2007, the Plan Proponents filed their Certification and Summary of Voting on the Second Amended Joint Plan of Reorganization, certifying the vote on the Second Amended Plan.

L. The deadline for filing objections to confirmation of the Second Amended Plan ("Objections") was May 29, 2007. The IUE-CWA Pension Fund and John Barmack, Lawrence T. Cody, Roger Deel, Jim Clark, Mary L. Shofner, and Doug Williams, as Trustees of the IUE-CWA Pension Fund (collectively, the "Pension Fund") filed a Limited Objection and Reservation of Rights of the IUE-CWA Pension Fund, and John Barmack, Lawrence T. Cody, Roger Deel, Jim Clark, Mary L. Shofner, and Doug Williams, as Trustees of the IUE-CWA Pension Fund, to the Second Amended Joint Plan of Reorganization. Allegheny County filed a Limited Objection requesting a higher interest rate than the rate provided to the County in the Second Amended Plan. Additionally, the Pittsburgh Water and Sewer Authority filed a Response to the Second Amended Plan. No other Objections or responsive pleadings were filed with the Court. All objections and responses have been resolved, withdrawn or denied.

M. The Pension Fund, the Debtors, PBA, and the Creditors' Committee have entered into a Settlement Agreement and Release (the "Pension Fund Settlement Agreement"). Pursuant to the Pension Fund Settlement Agreement, the Debtors are to withdraw from the Pension Fund effective on or prior to May 31, 2007. The Pension Fund Settlement Agreement, including the releases contained therein, is deemed to constitute an integral part of, and to be incorporated into and made a part of the Second Amended Plan. The Pension Fund Settlement Agreement is binding upon the Pension Fund, the Debtors, PBA, and the Creditors' Committee.

N. The Debtor, PBA, and the Commonwealth of Pennsylvania, Department of Revenue, have entered into an agreement titled Stipulation and Agreement between the Debtor

and the Pennsylvania Department of Revenue (the "PA Revenue Agreement"). The PA Revenue Agreement is deemed incorporated into the Second Amended Plan.

O. The Debtors, PBA, and the Commonwealth of Pennsylvania, Department of Labor and Industry have entered into a Stipulation and Agreement (the "L and I Agreement"). The L and I Agreement is deemed incorporated into the Second Amended Plan.

P. The Debtors, Iron City Brewing, LLC ("Iron City"), and the Internal Revenue Service have entered into a Stipulation and Agreement (the "IRS Agreement"). The IRS Agreement is deemed incorporated into the Second Amended Plan.

Q. The Debtors, Iron City, and Rexam Beverage Can Company ("Rexam") have reached a settlement (the "Rexam Settlement") with regard to Rexam's Claims arising pursuant to that certain Equipment Lease and Purchase Agreement by and between Rexam and PBC (the "Rexam Purchase Agreement"). The terms of the Rexam Settlement are set forth as a modification to the Plan in Paragraph 1(g) below.

R. PBC, PBA and the Alcohol and Tobacco Tax Trade Bureau have entered into a Joint Stipulation (the "TTB Agreement"). The TTB Agreement is deemed incorporated into the Second Amended Plan.

S. The Second Amended Plan, as modified by this Order, provides for the recapitalization of the Debtors with PBA, through Iron City, providing capital to fund operations and payments pursuant to the Second Amended Plan, the resolution of the outstanding Claims against the Debtors, and the continuance of the Debtors' business.

T. The Second Amended Plan contemplates that, prior to the Effective Date, Keystone shall be merged with and into PBC, and the Chapter 11 Case of Keystone shall be closed.

U. The Second Amended Plan, as modified by this Order, provides that, on the Effective Date, the Debtors' existing equity securities will be cancelled, and

One hundred percent (100%) of the membership interests of Iron City shall be held by PEA.

V. On June 5, 2007, this Court held a hearing to consider confirmation of the Second Amended Plan.

W. The Second Amended Plan complies with the applicable provisions of the Bankruptcy Code, including, without limitation, §§1122, 1123, and 1129 of the Bankruptcy Code.

X. The Plan Proponents have solicited acceptances of the Second Amended Plan in good faith and in compliance with the applicable provisions of Chapter 11 of the Bankruptcy Code.

Y. The Second Amended Plan has been proposed in good faith and not by any means forbidden by law.

Z. At least one class of claims that is impaired under the Second Amended Plan has accepted the Second Amended Plan, not including acceptance of the Second Amended Plan by any insiders.

AA. The Second Amended Plan does not discriminate unfairly and is fair and equitable, with respect to each class of Claims or Equity Interests that is impaired under the Second Amended Plan.

BB. The modifications to the Second Amended Plan contained in Paragraph 1 herein constitute minor modifications and require no additional disclosure or resolicitation of votes on the Amended Plan.

NOW, THEREFORE, it is hereby ORDERED, ADJUDGED and DECREED as follows:

1. The Second Amended Plan is modified as follows:

[REDACTED]

(b) Add a new Section 2.60

"2.60 Iron City: Iron City Brewing, LLC, a Delaware limited liability company with PBA as its sole member."

(c) Section 5.1(d)(6)(A) is deleted and replaced by the following new Section 5.1(d)(6)(A):

"(A) a binding commitment for public assistance from the Public on terms set forth above in Section 5.3(d)(5)."

(d) The last sentence of the first paragraph of Section 5.2(a) is deleted and replaced by the following sentence:

"On the Effective Date and after payment of the outstanding balance under the Note, any liens, mortgages, or security interests of Mr. Cerone in any asset of the Debtors shall be terminated."

(e) Section 5.2(c) is deleted and replaced by the following new Section 5.2(c):

"(c) Class 2.3: PIDA Secured Claim

PIDA claims a lien on the Real Property to secure repayment of its outstanding Claim. PIDA shall have an Allowed Secured Claim in the amount of \$50,000 which Secured Claim shall be secured by a lien on the Real Property junior in rank to the liens on the Real Property (a) securing the PWSA Claim, (b) securing the Low Interest Loans, and (c) securing the Reorganized Debtor's post-Effective Date financing. The Allowed Amount, if any, of the PIDA Secured Claim will be paid in full with the interest after the Effective Date at six percent (6%) per annum over a five-year period in equal quarterly installments commencing 90 days after the Effective Date of the Plan."

(f) Section 4.6.2(a) is deleted and replaced by the following new Section 4.6.2(a):

"(a) IRS: The Claims of the IRS will be Allowed Claims and paid as part of the Plan pursuant to the IRS Agreement."

(g) Add a new Section 5.1(e) as follows:

"(e) Class 1.5 Claims of Rexam. The Rexam Claims shall be an Allowed Claim in the amount of Fifty-Seven Thousand Six Hundred Dollars (\$57,600) payable in twenty-four (24) equal consecutive monthly payments of Two Thousand Four-Hundred Dollars (\$2,400), without interest, commencing on the Effective Date. On and after the Effective Date, the Reorganized Debtor and Rexam shall continue to operate under the terms of the Rexam Purchase Agreement and all obligations arising thereunder shall be assumed except as herein modified. The Rexam Purchase Agreement shall terminate and title to the equipment which is the subject of the Rexam Purchase Agreement shall pass to the Reorganized Debtor upon payment in full of the Allowed Rexam Claim. Any claims that Rexam has which do not arise pursuant to the Rexam Purchase Agreement are not affected hereby and shall be included as Class 3 Claims."

(h) Section 5.2(b) is deleted and replaced by the following new Section 5.2(b):

"(b) Class 2.2: TTB Claim

The Claims of the TTB will be Allowed Claims and paid as part of the Plan pursuant to the TTB Agreement."

(i) The last paragraph of Section 5.3 is deleted and replaced with the following new paragraph:

"If, as a result of Distributions being made to Holders of Allowed General Unsecured Claims, the PBGC, the Pension Fund or the Other Holders are paid in full on account of their Allowed General Unsecured Claims (the "Paid Holder"), each remaining Distribution to the PBGC, the Pension Fund and/or the Other Holders on account of such Holder's unpaid Allowed General Unsecured Claim (the "Unpaid Holder") shall be made on the same sharing basis set forth in Section 5.3(b), with each Unpaid Holder(s) additionally sharing equally in the Distribution that the Paid Holder(s) was entitled to under Section 5.3(b) until such time as all Allowed General Unsecured Claims are paid in full. For example, if as a result of Distributions made in accordance with Section 5.3(b) the PBGC is paid in full on account of its Allowed General Unsecured Claim, then in addition to the Distribution described in 5.3(b)(2) and (3), as applicable, the Pension Fund shall receive fifty percent (50%) of the Distribution that would otherwise be distributed to the PBGC and each of the Other Holders shall share pro rata in the



remaining fifty percent (50%) of the Distribution that would otherwise be distributed to the PBGC under Section 5.3(b)."

(j) Section 6.2 is deleted and replaced with the following new Section 6.2:

"6.2 Cancellation of Existing Equity Securities: PBA will be the financial sponsor of the Plan. Pursuant to the Plan, the Debtors will be recapitalized with PBA, through Iron City, providing capital to fund the Plan.

(k) Section 6.3 is deleted and replaced with the following new Section 6.3:

"6.3 PAC: The PAC shall be composed of three members selected at the Confirmation Hearing by the Creditors' Committee. The PAC shall have the power and responsibility to object to Claims and to bring, prosecute and settle subject to Court approval the Avoidance Actions (as defined in Section 5.3(a)(5)). The PAC shall have the power to engage professionals, including McGuire Woods, LLP, as counsel, to assist the PAC with respect to its responsibilities. In the event that a PAC member resigns, his or her replacement shall be selected jointly by the remaining members. After all Distributions contemplated under the Plan have been made, and all objections to Claims have been resolved, the members of the PAC shall resign their positions whereupon they shall be discharged from further duties and responsibilities."

(l) Section 6.4 is deleted and replaced with the following new Section 6.4:

"6.4 Objections to Claims: After the Effective Date, the PAC shall have the exclusive right to object to the allowance of any Claims provided for under the Plan. Except as otherwise provided in the Plan, objections to Claims must be filed no later than seventy-five (75) days after the Effective Date."

(m) Section 11.2(b) is deleted and replaced with the following new Section 11.2(b):

"(b) The Effective Date shall have occurred by July 7, 2007."

2. The Second Amended Plan is hereby **CONFIRMED** and **APPROVED** in all respects.

3. The Plan Proponents are hereby authorized, directed, and empowered to take all actions necessary or appropriate to implement the Second Amended Plan in accordance with its terms, including, without limitation, to enter into, implement, consummate, execute, and/or

deliver the contracts, instruments, and other agreements or documents contemplated therein, consistent with the terms of this Confirmation Order and the Second Amended Plan.

4. In the event of any inconsistency between the Second Amended Plan, on the one hand, and this Confirmation Order, on the other, the terms and provisions of the Confirmation Order shall govern.

5. [REDACTED]

(a) The Debtors' existing equity securities will be cancelled, PBC will merge into Iron City and one hundred percent (100%) of the membership interests in the Reorganized Debtor will be held by PBA.

[REDACTED]

(c) PBA will convert its Claims arising from the Original DIP Loan Facility and the Second DIP Loan Facility into equity in PBA, the parent of the Reorganized Debtor.

(d) All fees payable pursuant to 28 U.S.C. § 1930 shall have been paid in full in cash.

(e) All Distributions contemplated by the Second Amended Plan on the Effective Date shall be made.

6. The Pension Fund Settlement Agreement and all of the releases contained therein, are incorporated by reference into, and constitute and are approved as integral parts of, the Second Amended Plan and this Confirmation Order effective on the Effective Date. On the Effective Date, the Pension Fund Settlement Agreement shall become fully and finally effective and irrevocably binding upon the Pension Fund, the Debtors, PBA and the Creditors' Committee.

7. Notwithstanding any provisions of the Pension Fund Settlement Agreement, the Debtors shall be deemed to have withdrawn from the Pension Fund effective May 31, 2007.

This Confirmation Order shall constitute a discharge and releases of all liabilities and obligations of the Debtors except as specified in the Pension Fund Settlement Agreement.

8. The Pension Benefit Guaranty Corporation's Motion for Partial Reconsideration and Partial Vacating of the March 9, 2006 Stipulation and Order (Document No. 140) is moot and, therefore, dismissed.

9. The Debtors' Objection to Claims filed by the Pension Benefit Guaranty Corporation (Document No. 422) is moot and, therefore, dismissed.

10. The treatment of Class 1.4 shall be documented in a form that is reasonably satisfactory to PWSA and PBA.

11. Except as otherwise set forth in the Second Amended Plan or this Confirmation Order, any and all Executory Contracts that were not (a) designated by PBA as an Executory Contract to be assumed in the Supplement to Second Amended Joint Plan of Reorganization filed on May 21, 2007; (b) assumed in a stipulation approved by the Court; or (c) previously expired or terminated, prior to the date of this Confirmation Order, are hereby deemed rejected, effective immediately. If the rejection of an Executory Contract pursuant to the Second Amended Plan or this Confirmation Order results in a Claim, then such Claim shall be forever barred unless a Proof of Claim is filed in accordance with Section 8.2 of the Second Amended Plan.

12. The Existing CBA, the Pension Plan, and any other agreements incorporated by reference in the Existing CBA or the Pension Plan, are hereby rejected, effective May 31, 2007.

13. The Executory Contracts of the Distributors are hereby assumed. The Distributors shall not be entitled to any Cure Amount.

14. This Court shall retain jurisdiction as set forth in Article 12 of the Second Amended Plan. The Court's retention of jurisdiction shall not, and does not, affect the finality of this Confirmation Order.

15. All holders of Claims against and Equity Interests in the Debtors whose Claims and Interests are treated under the Second Amended Plan and this Confirmation Order are permanently restrained and enjoined from instituting or continuing any action or employing any process to collect such debts or to pursue such interests, except as otherwise specifically provided by this Confirmation Order or the Second Amended Plan.

16. Except as otherwise provided in the Second Amended Plan or this Confirmation Order, the Debtors, the Reorganized Debtor, PBA and their officers, directors, agents, servants, employees, accountants, and attorneys will be released and forever discharged from and against any and all claims or rights of creditors of the Debtors of any nature arising prior to the Effective Date and the rights of creditors of the Debtors of any nature arising prior to the Effective Date will be limited to those arising under the Second Amended Plan.

17. Effective as of the Confirmation Date, but subject to the occurrence of the Effective Date, and except as expressly provided in the Second Amended Plan or this Confirmation Order, the provisions of the Second Amended Plan (including the exhibits to, and all documents and agreements executed pursuant to, the Second Amended Plan) and this Confirmation Order shall be binding on (i) the Debtors, (ii) the Creditors' Committee, (iii) PBA, (iv) Iron City (v) all holders of Claims against and Interests in the Debtors, whether or not impaired under the Second Amended Plan and whether or not, if impaired, such holders accepted, rejected, or are deemed to have accepted or rejected the Second Amended Plan, (vi) each person or entity acquiring or retaining property under the Second Amended Plan, (vii) all

*out of or related to the Case*

entities that are party to or are subject to the Second Amended Plan or the releases, discharges, and/or injunctions described in the Second Amended Plan, this Confirmation Order, and the Pension Fund Settlement Agreement, and (viii) each of the foregoing's respective heirs, successors, assigns, trustees, executors, administrators, affiliates, officers, directors, agents, representatives, attorneys, beneficiaries, or guardians, if any, including, but not limited to the PAC and any trustee, responsible officer, or other responsible person appointed for the Debtors in a case under any chapter of the Bankruptcy Code.

18. In accordance with Bankruptcy Rules 2002 and 3020(c), within five Business Days of the entry of the Confirmation Order, the Plan Proponents shall serve a copy of the Confirmation Order by first-class, postage prepaid U.S. mail or overnight courier service to: (a) the United States Trustee, (b) counsel for the Creditors' Committee, (c) all holders of Claims and Interests, and (d) all other parties-in-interest.

19. In accordance with Bankruptcy Rules 2002 and 3020(c), on or before the Effective Date, the Plan Proponents shall serve a Notice of the Effective Date by first-class, postage prepaid U.S. mail or overnight courier service to: (a) the United States Trustee, (b) counsel for the Creditors' Committee, (c) all holders of Claims and Interests, and (d) all other parties-in-interest.

*June 5, 2007*

BY THE COURT:

*M. Bruce McCullough*  
The Honorable M. Bruce McCullough  
United States Bankruptcy Judge

**FILED**

**JUN 05 2007**

CLERK OF BANKRUPTCY COURT  
WESTERN DISTRICT OF PENNSYLVANIA

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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

IN RE: \_\_\_\_\_  
PITTSBURGH BREWING  
COMPANY, INC. AND KEYSTONE  
BREWERS HOLDING CO.,  
  
Debtors.

§  
§ Bankruptcy No.: 05-50347 MBM  
§ Chapter 11  
§ Jointly Administered  
§ Related to Document No.: 600  
§ Hearing Date: June 5, 2007 at 3:00 pm  
§  
§

SUPPLEMENT TO SECOND AMENDED JOINT PLAN OF REORGANIZATION

Pursuant to Article 8 of the Plan, Pittsburgh Brewing Acquisition, LLC, by and through its undersigned counsel, hereby designates the following Executory Contracts which are to be assumed by the Debtors on the Effective Date of the Plan.

1. Private Suite License Agreement dated as of June 3, 1999, by and between Pittsburgh Associates and Pittsburgh Brewing Company relative to PNC Park private suite.
2. Stadium Builder License and Club Seat Agreement, by and between the Public Auditorium Authority of Pittsburgh, Allegheny County and Pittsburgh Brewing Company, relative to Heinz Field seat licenses.

No Cure Amounts are due with regard to the above Executory Contracts.

Respectfully submitted,

Dated: May 21, 2007

/s/ Joel M. Walker  
Joel M. Walker, PA I.D. No. 26515  
Jeffrey W. Spear, PA I.D. No. 56838  
Duane Morris LLP  
600 Grant Street, Suite 5010  
Pittsburgh, PA 15219-2811  
(412) 497-1000  
Counsel for Pittsburgh Brewing Acquisition, LLC

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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

IN RE:

PITTSBURGH BREWING  
COMPANY, INC. AND KEYSTONE  
BREWERS HOLDING CO.,

Debtors.

)  
) Bankruptcy No: 05-50347-MBM  
) Chapter 11  
) Jointly Administered  
) Related to Document No.: 600  
) Hearing Date: June 5, 2007 at 3:00 pm  
)

CERTIFICATE OF SERVICE

I, Joel M. Walker, hereby certify that on this 21st day of May 2007, I served or caused to be served a copy of the foregoing Supplement to Second Amended Joint Plan of Reorganization via first-class mail, postage prepaid U.S. mail upon the following parties:

Pittsburgh Associates  
c/o Pittsburgh Pirates  
115 Federal Street  
Pittsburgh, PA 15212  
Attention: Joan Schmitt

Public Auditorium Authority of Pittsburgh  
c/o Stadium Builder Fund  
POB 642278  
Pittsburgh, PA 15264

Robert O Lampl, Esquire  
960 Penn Avenue, Suite 1200  
Pittsburgh, PA 15222

Robert G. Sabla, Esquire  
McGuire Woods, LLP  
Dominion Tower  
625 Liberty Avenue, 23<sup>rd</sup> Floor  
Pittsburgh, PA 15222

Norma Hildenbrand, Esquire  
Office of the United States Trustee  
Liberty Center, Suite 970  
1001 Liberty Avenue  
Pittsburgh, PA 15222

/s/ Joel M. Walker  
Joel M. Walker