

BLANK ROME LLP
Attorneys for Debtor
The Chrysler Building
405 Lexington Avenue
New York, NY 10174
(212) 885-5000
Michael Z. Brownstein
Joel C. Shapiro
Rocco A. Cavaliere

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

----- X
In re: :
: :
CHIYODA AMERICA, INC, : Case No. 09-15059 (AJG)
: Chapter 11 Case
Debtor. :
----- X

DEBTOR'S FIRST AMENDED CHAPTER 11 PLAN OF REORGANIZATION

BLANK ROME LLP

Michael Z. Brownstein
Rocco A. Cavaliere
The Chrysler Building
405 Lexington Avenue
New York, NY 10174-0208
Telephone: (212) 885-5000
Facsimile: (212) 885-5001

and

Joel C. Shapiro, Esquire
130 North 18th Street
Philadelphia, PA 19103
Telephone: (215) 569-5500
Facsimile: (215) 569-5555

October 6, 2009

Attorneys for Debtor and Debtor-In-Possession

TABLE OF CONTENTS

	PAGE
ARTICLE I DEFINITIONS.....	1
ARTICLE II METHOD OF CLASSIFICATION OF CLAIMS AND INTERESTS AND GENERAL PROVISIONS AND CLASSIFICATION OF CLAIMS AND INTERESTS	9
2.1 General Rules of Classification.....	9
2.2 Administrative Claims, Priority Tax Claims, DIP Claims, and Fee Claims	9
2.3 Bar Date for Administrative Claims	9
2.4 Bar Date for Fee Claims.....	10
2.5 Classification of Claims and Interests.....	10
ARTICLE III TREATMENT OF UNIMPAIRED CLASSES	10
3.1 Administrative Claims.....	10
3.2 Priority Tax Claims	11
3.3 Reclamation and Section 503(b)(9) Claims	11
3.4 CGC DIP Claims and Exit Facility	11
3.5 Fee Claims.....	12
3.6 Class 1 Other Priority Claims	12
3.7 Class 2 Miscellaneous Secured Claims	12
3.8 Class 4 Convenience Class.....	12
3.9 Reservation of Rights	13
ARTICLE IV TREATMENT OF IMPAIRED CLASSES	13
4.1 Class 3 CGC Claim	13
4.2 Class 5 General Unsecured Claims	13
4.3 Class 6 CGC Interests	14
4.4 Class 7 Claims.....	14
4.5 Class 8 Claims.....	14
4.6 Class 9 Claims.....	14
ARTICLE V MEANS FOR IMPLEMENTATION OF THE PLAN.....	14
5.1 Corporate Action.....	14
5.2 Plan Distribution Reserves	15
5.3 Exit Financing and Equity Commitments	15
5.4 Revesting.....	15
ARTICLE VI RELEASES.....	16
6.1 Application for Approval of Settlement.....	16
6.2 Releases by the Debtor.....	16
6 17	
6.4 Injunction	17
6.5 Release Consideration.....	17
6.6 Additional Distribution to Unsecured Creditors	18

6.7	No Admissions	18
ARTICLE VII DISTRIBUTIONS UNDER THE PLAN		18
7.1	Distributions for Claims Allowed as of the Effective Date	19
7.2	Delivery of Distributions.....	19
7.3	Reserve Accounts.....	19
7.4	Reserves for Disputed Administrative, Priority Tax and Other Priority Claims	19
7.5	Reserves for Disputed Claims	20
7.6	Claims Objection Deadline	20
7.7	Settlement of Disputed Claims.....	20
7.8	Unclaimed Property.....	21
7.9	Release of Liens	21
7.10	Withholding Taxes	21
7.11	Fractional Cents.....	21
7.12	Payments of Less than Twenty-Five Dollars	21
ARTICLE VIII UNEXPIRED LEASES AND EXECUTORY CONTRACTS.....		21
8.1	Rejection of All Agreements.....	22
8.2	Claims for Damages	22
ARTICLE IX CONDITIONS TO CONFIRMATION AND EFFECTIVE DATE.....		22
9.1	Conditions to Confirmation of the Plan	22
9.2	Conditions to Effectiveness of the Plan	23
9.3	Effect of Failure of Condition	23
ARTICLE X RETENTION OF JURISDICTION.....		23
ARTICLE XI MISCELLANEOUS PROVISIONS.....		25
11.1	Pre-Confirmation Modification.....	25
11.2	Post-Confirmation Immaterial Modification.....	25
11.3	Post-Confirmation Material Modification.....	25
11.4	Withdrawal or Revocation of the Plan	25
11.5	Payment of Statutory Fees.....	25
11.6	Successors and Assigns	26
11.7	Exculpation.....	26
11.8	Discharge.....	26
11.9	Confirmation Injunction.....	26
11.10	Comprehensive Settlement of Claims and Controversies	27
11.11	Preservation of Insurance	27
11.12	Cramdown	27
11.13	Governing Law.....	28
11.14	Notices.....	28
11.15	Saturday, Sunday or Legal Holiday	29
11.16	Section 1146 Exemption	29
11.17	Severability.....	29
11.18	Headings.....	29

INTRODUCTION

Chiyoda American, Inc., the above-captioned Debtor and Debtor in possession (“Debtor”), hereby proposes this Chapter 11 Plan of Reorganization pursuant to section 1121 of the Bankruptcy Code. Reference is made to the Disclosure Statement¹ for risk factors and a summary and analysis of the Plan and certain related matters. The Debtor is the proponent of the Plan within the meaning of section 1129 of the Bankruptcy Code.

Subject to the restrictions on modifications set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modifications set forth in Article XI of this Plan, the Debtor expressly reserves the right to alter, amend or modify this Plan, one or more times, before its substantial consummation.

ARTICLE I

DEFINITIONS

1.1 **Scope of Definitions.** As used in this Plan, the following terms shall have the respective meanings specified below. Whenever the context requires, such terms shall include the plural as well as the singular number, the masculine gender shall include the feminine and the feminine gender shall include the masculine.

1.2 **“Accrued”** shall mean an expense incurred but not yet billed for nor paid.

1.3 **“Administrative Claim”** shall mean a Claim under sections 503(b) (including, without limitation, all administrative claims under Section 503(b)(9) and 1114(e)(2) of the Bankruptcy Code or determined to be an Allowed Administrative Claim by a Final Order that is entitled to priority under sections 507(a)(1) or 507(b) of the Bankruptcy Code, for costs or expenses of administration of the Chapter 11 Case including, without limitation, any actual and necessary expenses of operating the businesses of the Debtor or preserving the estate incurred after the Petition Date, and any and all fees and expenses of Professionals Filed under sections 330, 331 or 503 of the Bankruptcy Code.

1.4 **“Administrative Claims Bar Date”** shall have the meaning set forth in section 2.3 of the Plan.

1.5 **“Administrative Claims Reserve”** shall have the meaning set forth in section 7.4 of the Plan.

1.6 **“Allowed Claim”** or **“Allowed [] Claim”** shall mean: (a) any Claim, proof of which is/was Filed with the Bankruptcy Court or the Debtor’ court-appointed claims agent on or before the date designated by the Bankruptcy Court as of the last date(s) for filing proofs of claim with respect to such Claim, or which has been or hereafter is scheduled by the Debtor as liquidated in amount and not disputed or contingent and which, in either case, is a Claim as to which no objection to the allowance thereof has been Filed within the applicable period of

¹ All capitalized terms not defined in this introduction shall have the meanings set forth in Article I of this Plan.

limitation (if any) for objection to Claims fixed by the Bankruptcy Court, or as to which any objection has been determined by a Final Order of the Bankruptcy Court (allowing such Claim in whole or in part); (b) a Claim that is allowed (i) in any contract, instrument, or other agreement entered into in connection with the Plan, (ii) in a Final Order or (iii) pursuant to the terms of the Plan; or (c) a request for payment of an Administrative Claim, which is made before the Administrative Claims Bar Date, or otherwise has been deemed timely asserted under applicable law, and is an Administrative Claim as to which no objection to allowance thereof has been Filed within the applicable deadline pursuant to sections 2.3 of the Plan. Except as otherwise provided herein, in accordance with section 502(d) of the Bankruptcy Code, a Claim held by any party that is subject to an Avoidance Action shall not be an Allowed Claim until such time as a Final Order is entered by the Bankruptcy Court on the Avoidance Action.

1.7 “**Avoidance Actions**” shall mean any and all claims and causes of action of the Debtor, arising under the Bankruptcy Code, including, without limitation, sections 544, 545, 547, 548, 549 and 550 thereof, but not including any claim or cause of action against the Professionals.

1.8 “**Ballot**” shall mean the form or forms that will be distributed along with the Disclosure Statement to holders of Allowed Claims in classes that are Impaired under the Plan and entitled to vote, which the holders of Impaired Claims may use to vote to accept or reject the Plan.

1.9 “**Bankruptcy Code**” shall mean the Bankruptcy Reform Act of 1978, 11 U.S.C. §§ 101 et. seq., as in effect on the Petition Date, and as amended effective as of the Petition Date.

1.10 “**Bankruptcy Court**” shall mean the United States Bankruptcy Court for the Southern District of New York or such other court as may hereafter be granted jurisdiction over the Chapter 11 Case.

1.11 “**Bankruptcy Rules**” shall mean the Federal Rules of Bankruptcy Procedure effective August 1, 1996 in accordance with the provisions of 28 U.S.C. § 2075, and the local rules of the Bankruptcy Court, as in effect on the Petition Date, and is amended effective as of the Petition Date.

1.12 “**Bar Date**” shall mean October 2, 2009, the date set by the Bankruptcy Court as the last day to file proofs of Claim pursuant to the Bar Date Order entered on August 25, 2009 (Docket No. 25).

1.13 “**Business Day**” shall mean any day other than a Saturday, Sunday or legal holiday as such term is defined in Bankruptcy Rule 9006.

1.14 “**Cash**” shall mean cash and cash equivalents, including, but not limited to, wire transfers, checks and other readily marketable direct obligations of the United States of America and certificates of deposit issued by banks.

1.15 “**CESA**” shall mean N.V. Chiyoda Europa , a Belgium corporation and affiliate of Debtor.

1.16 “**CESA Loans**” shall mean the pre-petition unsecured loans made by CESA to Debtor under numerous notes in the aggregate amount of approximately \$9,296,309.

1.17 “**CGC**” shall mean Chiyoda Gravure Corporation, a Japanese corporation.

1.18 “**CGC-DIP Claims**” shall mean the Allowed Secured Claims of CGC arising under the CGC-DIP Loan. For purposes of the Plan the CGC-DIP Claims shall be deemed Allowed Secured Claims.

1.19 “**CGC-DIP Loan**” shall mean the post-petition revolving credit loan facility provided by CGC to Debtor in the amount of \$1,675,000 dollars as evidenced by the CGC Loan Agreement dated August 19, 2009.

1.20 “**CGC Interests**” – means 100% of the common stock interests of Debtor which are owned by CGC.

1.21 “**CGC Loan**” shall mean the pre-petition secured term and revolving loans from CGC in accordance with the terms of certain loan agreements in the aggregate approximate amount of \$17,306,354.00.

1.22 “**CGC Mortgage**” shall mean the Mortgage and Security Agreement granted to CGC on the Morgantown Real Estate and which acts as security for the CGC Loan.

1.23 “**Chapter 11 Case**” shall mean the above-captioned chapter 11 cases pending for the Debtor.

1.24 “**Claim**” shall mean a claim against any or all the Debtor, whether or not asserted, as defined in section 101(5) of the Bankruptcy Code.

1.25 “**Claims Agent**” shall mean The Garden City Group, Inc. appointed by the Bankruptcy Court pursuant to an order entered August 25, 2009 (Docket No. 28).

1.26 “**Class**” shall mean a category of holders of Claims or Interests, as classified pursuant to Article II of the Plan.

1.27 “**Class 5 Plan Funder Individual Release Consideration**” shall mean the sum of \$100,000 to be distributed Pro Rata to the holders of Allowed Class 5 Claims that grant an Optional Release.

1.28 “**Class 5 Pool**” shall mean the sum of \$400,000.00 to be used to partially satisfy Allowed Class 5 General Unsecured Claims.

1.29 “**Class 5 Pool Escrow**” shall mean the escrow established by the Debtors from funds provided by the Plan Funders in the amount of the Class 5 Pool for the purpose of making distributions to and partially satisfying the Allowed Claims of holders of Allowed Class 5 General Unsecured Claims.

1.30 “**Committee**” shall mean the Official Committee of Unsecured Creditors appointed by the Office of the United States Trustee and as reconstituted from time to time and existing as of the Confirmation Date.

1.31 “**Confirmation**” shall mean the entry of the Confirmation Order on the docket of the Bankruptcy Court.

1.32 “**Confirmation Date**” shall mean the date of entry of an order of the Bankruptcy Court confirming the Plan in accordance with the provisions of the Bankruptcy Code.

1.33 “**Confirmation Hearing**” shall mean the hearing to confirm the Plan.

1.34 “**Confirmation Order**” shall mean the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

1.35 “**Convenience Class**” shall mean those unsecured creditors having Allowed Unsecured Claims (or elect to have them treated as such) in the amount of \$10,000.00 or less (which the Debtor estimates will result in aggregate claims of approximately \$139,991.60).

1.36 “**Creditor**” shall mean any person or entity having a Claim against any or all of the Debtor, including without limitation a Claim that arose on or before the Petition Date or a Claim against the Debtor’ estate of any kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code.

1.37 “**Debtor**” shall mean Chiyoda America, Inc., a Pennsylvania corporation.

1.38 “**Debtor-in-Possession**” shall mean the Debtor in the capacity, and with the status and rights, conferred by sections 1107 and 1108 of the Bankruptcy Code.

1.39 “**Debtor Claimants**” shall have the meaning set forth in section 6.2 of the Plan.

1.40 “**Deficiency Claim**” shall mean, with respect to a Claim that is partially secured, the amount by which the Allowed amount of such Claim exceeds the value of the property owned or held by the Debtor that collateralizes the Claim.

1.41 “**Disclosure Statement**” shall mean the disclosure statement respecting the Plan, as approved by the Bankruptcy Court as containing adequate information in accordance with section 1125 of the Bankruptcy Code, all exhibits and annexes thereto and any amendments or modifications thereof.

1.42 “**Disputed Claim**” or “**Disputed [] Claim**” shall mean any Claim, including any Administrative Claim, which has not become an Allowed Claim pursuant to the Plan or a Final Order.

1.43 “**Effective Date**” shall mean the first business day following the date on which each of the conditions set forth in sections 9.1 and 9.2 of the Plan have been satisfied or waived (by the Plan Funders in their discretion).

1.44 “**Entity**” shall have the meaning set forth in section 101(15) of the Bankruptcy Code.

1.45 “**Equity Commitment Letter**” means that certain Equity Commitment Letter from Shinko to the Debtor dated September 24, 2009 and pertaining to the Plan Funding Equity Commitments and attached to the Plan Supplement.

1.46 “**Estate**” or “**Estates**” shall mean the estate of each or the estates of all of the Debtor.

1.47 “**Exit Facility**” shall mean the secured loan facility provided by the Plan Funder in the amount of \$7,500,000 under the terms set forth in the Plan Supplement.

1.48 “**Exit Facility Commitment Letter**” means that certain Exit Facility Commitment Letter from CGC to the Debtor dated August 19, 2009 and pertaining to the Exit Facility.

1.49 “**Fee Claim**” shall mean a claim under sections 328, 330(a), 503 or 1103 of the Bankruptcy Code for the compensation of a Professional for services rendered or reimbursement of expenses incurred in the Chapter 11 Case on or prior to the Effective Date which has been approved by a Final Order (including expenses of the members of the Committee).

1.50 “**Fee Claim Bar Date**” shall have the meaning set forth in section 2.4 of the Plan.

1.51 “**File**”, “**Filed**”, or “**Filing**” shall mean file, filed or filing with the United States Bankruptcy Court for the District of New Jersey, or with respect to proofs of claim, proofs timely and properly transmitted to Debtor’ Claim Agent.

1.52 “**Final DIP Order**” shall mean the Order(s) (A) Authorizing Debtor to Obtain Post-Petition Financing and Grant Security Interests and Super priority Administrative Expense Status Pursuant to 11 U.S.C. §§ 105 and 364(c) and (d); (B) Modifying the Automatic Stay Pursuant to 11 U.S.C. § 362; and (C) Authorizing Debtor to Enter into Credit Agreements with the CGC, entered on September 25, 2009.

1.53 “**Final Order**” shall mean an order entered by the Bankruptcy Court or any other court exercising jurisdiction over the subject matter and the parties, as to which (i) no appeal, certiorari proceeding or other review reconsideration or rehearing has been requested or is still pending, and (ii) the time for filing a notice of appeal or petition for certiorari or further review reconsideration or rehearing has expired.

1.54 “**Financing Agreements**” shall have the meaning ascribed to such term in the Final DIP Order.

1.55 “**General Unsecured Claim**” shall mean any unsecured, non-priority Claim, including, without limitation, any Indemnification Claim, that is not an Administrative Claim, Priority Tax Claim, Other Priority Claim, Fee Claim, DIP Claim, Newark Bay Complex Claim, or Secured Claim.

