UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	)	Chapter 11
WASHINGTON PRIME GROUP INC., *et al.*,[1]	)	Case No. 21-31948 (MI)
Debtors.	)	(Jointly Administered)

DISCLOSURE STATEMENT FOR THE JOINT CHAPTER 11 PLAN OF REORGANIZATION OF WASHINGTON PRIME GROUP INC., AND ITS DEBTOR AFFILIATES

This is not a solicitation of votes to accept or reject the Plan in accordance with section 1125 of the Bankruptcy Code and within the meaning of section 1126 of the Bankruptcy Code. 11 U.S.C. §§ 1125, 1126. This Disclosure Statement is being submitted for approval but has not been approved by the Bankruptcy Court. The information in this Disclosure Statement is subject to change. This Disclosure Statement is not an offer to sell any securities and is not soliciting an offer to buy any securities.

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Dated: June 23, 2021

[1] A complete list of each of the Debtors in these chapter 11 cases and the last four digits of their federal tax identification numbers may be obtained on the website of the Debtors' proposed claims and noticing agent at https://cases.primeclerk.com/washingtonprime. The Debtors' service address is 180 East Broad Street, Columbus, Ohio 43215.

IMPORTANT INFORMATION ABOUT THIS DISCLOSURE STATEMENT

The Debtors are providing the information in this Disclosure Statement to Holders of Claims and Interests for purposes of soliciting votes to accept or reject the *Joint Chapter 11 Plan of Reorganization of Washington Prime Group Inc., and Its Debtor Affiliates*. Nothing in this Disclosure Statement may be relied upon or used by any Entity for any other purpose. Before deciding whether to vote for or against the Plan (as defined herein), each Holder entitled to vote should carefully consider all of the information in this Disclosure Statement, including the risk factors described in Article X herein.

Subject to the foregoing, the Debtors and Holders of at least 74.5% of the aggregate principal amount of the 2018 Credit Facility Claims, Holders of at least 62% of the aggregate principal amount of the 2015 Credit Facility Claims, Holders of 100% of the aggregate principal amount of the Weberstown Term Loan Facility Claims, and Holders of at least 66.67% of the aggregate principal amount of the Unsecured Notes Claims support the Plan pursuant to the Restructuring Support Agreement (as defined herein). The Debtors urge Holders of Claims and Interests whose votes are being solicited to accept the Plan.

The Debtors urge each Holder of a Claim and Interest to consult with its own advisors with respect to any legal, financial, securities, tax, or business advice in reviewing this Disclosure Statement, the Plan, and the transactions contemplated thereby. Further, the Bankruptcy Court's approval of the adequacy of the information contained in this Disclosure Statement does not constitute the Bankruptcy Court's approval of the Plan.

This Disclosure Statement contains, among other things, summaries of the Plan, certain statutory provisions, and certain anticipated events in the Debtors' Chapter 11 Cases. Although the Debtors believe that these summaries are fair and accurate, these summaries are qualified in their entirety to the extent that they do not set forth the entire text of such documents or statutory provisions or every detail of such anticipated events. The Plan and other documents incorporated herein will govern for all purposes in the event of any inconsistency or discrepancy between a description in this Disclosure Statement and the terms and provisions of the Plan or any other documents incorporated herein by reference. Factual information contained in this Disclosure Statement has been provided by the Debtors' management except where otherwise specifically noted. The Debtors do not represent or warrant that the information contained herein or attached hereto is without any material inaccuracy or omission.

In preparing this Disclosure Statement, the Debtors relied on financial data derived from their books and records and various assumptions regarding the Debtors' business. While the Debtors believe that such financial information fairly reflects the financial condition of the Debtors as of the date hereof and that the assumptions regarding future events reflect reasonable business judgments, no representations or warranties are made as to the accuracy of the financial information contained herein or assumptions regarding the Debtors' business or their future results or operations. The Debtors expressly caution readers not to place undue reliance on any forward-looking statements contained herein.

The Debtors are making the statements and providing the financial information contained in this Disclosure Statement as of the date hereof unless otherwise specifically noted, and there is no assurance that the statements contained herein will be correct at any time after such date. Although the Debtors may subsequently update the information in this Disclosure Statement, the Debtors have no affirmative duty to do so, and expressly disclaim any duty to publicly update any forward-looking statements whether as a result of new information, future events, or otherwise. Holders of Claims

and Interests reviewing this Disclosure Statement should not infer that, at the time of their review, the facts set forth herein have not changed since this Disclosure Statement was Filed. Information contained herein is subject to completion, modification, or amendment. The Debtors reserve the right to File an amended or modified Plan and related Disclosure Statement from time to time, subject to the terms of the Plan and Restructuring Support Agreement.

The Debtors have not authorized any Entity to give any information about or concerning the Plan other than that which is contained in this Disclosure Statement. The Debtors have not authorized any representations concerning the Debtors or the value of their property other than as set forth in this Disclosure Statement.

This Disclosure Statement does not constitute and may not be construed as an admission of fact, liability, stipulation, or waiver. The Debtors or any other authorized party may seek to investigate, File, and prosecute Claims and may object to Claims after the Confirmation or Effective Date of the Plan irrespective of whether this Disclosure Statement identifies any such Claims or objections to Claims.

If the Bankruptcy Court confirms the Plan and the Effective Date occurs, all Holders of Claims and Interests (including those Holders of Claims and Interests who do not submit ballots to accept or reject the Plan, who vote to reject the Plan, or who are not entitled to vote on the Plan) will be bound by the terms of the Plan and the Restructuring Transactions contemplated thereby. The Confirmation and effectiveness of the Plan are subject to certain material conditions precedent described herein and set forth in Article IX of the Plan. There is no assurance that the Plan will be confirmed or, if confirmed, that the conditions required to be satisfied for the Plan to go effective will be satisfied or waived. You are encouraged to read the Plan and this Disclosure Statement in its entirety, including Article X entitled "Risk Factors," before submitting your ballot to vote on the Plan.

The Bankruptcy Court's approval of this Disclosure Statement does not constitute a guarantee by the Bankruptcy Court of the accuracy or completeness of the information contained herein or an endorsement by the Bankruptcy Court of the merits of the Plan. The information contained in this Disclosure Statement is included for purposes of soliciting votes for and Confirmation of the Plan and may not be relied on for any other purpose. This Disclosure Statement has been prepared in accordance with section 1125 of the Bankruptcy Code and Bankruptcy Rule 3016(b) and is not necessarily prepared in accordance with federal or state securities laws or other similar laws. The Securities and Exchange Commission (the "SEC") or any similar federal, state, local, or foreign regulatory agency has not approved or disapproved this Disclosure Statement; nor has the SEC or any other agency passed upon the accuracy or adequacy of the statements contained in this Disclosure Statement.

The Debtors have sought to ensure the accuracy of the financial information provided in this Disclosure Statement; however, the financial information contained in this Disclosure Statement or incorporated herein by reference has not been and will not be audited or reviewed by the Debtors' independent auditors unless explicitly provided otherwise.

Upon Confirmation of the Plan, certain of the securities described in this Disclosure Statement will be issued without registration under the Securities Act of 1933, 15 U.S.C. §§ 77a–77aa, together with the rules and regulations promulgated thereunder (the "Securities Act"), or similar federal, state, local, or foreign laws in reliance on the exemption set forth in section 1145 of the Bankruptcy Code to the extent permitted under applicable law. Other Securities may be issued pursuant to other applicable exemptions under the federal securities laws. If exemptions from

registration under section 1145 of the Bankruptcy Code or applicable federal securities law do not apply, the Securities may not be offered or sold except pursuant to a valid exemption or upon registration under the Securities Act. The Debtors recommend that potential recipients of Securities issued under the Plan consult their own counsel concerning their ability to freely trade such Securities in compliance with the federal securities laws and any applicable "Blue Sky" laws. The Debtors make no representation concerning the ability of a person to dispose of such Securities.

The Debtors make statements in this Disclosure Statement that are considered forward looking statements under federal securities laws. The Debtors consider all statements regarding anticipated or future matters to be forward-looking statements. Although the Debtors believe the expectations reflected in such forward-looking statements are based on reasonable assumptions, the Debtors can give no assurance that their expectations will be attained, and it is possible that actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks and uncertainties. Such factors include, but are not limited to, the following:

- **plans, objectives, expectations, and intentions;**
- **future financial condition, operating results, and cash flows**;
- **business and financial strategies, budgets, and projections;**
- **the effect of the COVID-19 pandemic on the Debtors' industry, business, and operations;**
- **the Debtors' ability to sustain and/or grow revenue and earnings and manage expenses;**
- **changes in political, economic, or market conditions generally and the real estate and capital markets specifically;**
- **the failure to increase enclosed retail store occupancy and same-store operating income;**
- **risks associated with acquisitions, dispositions, development, expansion, leasing, and management of properties;**
- **trends and developments in the retail industry, including market rental rates, financial stability of tenants and joint venture partners, liquidity of real estate investments, competitive market forces, and costs of common area maintenance;**
- **relationships with anchor tenants and joint venture partners;**
- **governmental regulation and taxation applicable to the Debtors, including any changes thereto;**
- **possible restrictions on the ability to operate or dispose of any partially-owned properties;**
- **the unfavorable resolution of legal or regulatory proceedings;**
- **risks associated with the chapter 11 process, including the Debtors' ability to develop, confirm, and consummate a plan under chapter 11 or an alternative restructuring transaction;**

- **inability to maintain relationships with suppliers, employees, and other third parties as a result of the chapter 11 filing or other failure of such parties to comply with their contractual obligations; and**

- **failure to satisfy the Debtors' short- or long-term liquidity needs, including their inability to generate sufficient cash flow from operations or to obtain adequate financing to fund capital expenditures and meet working capital needs and their ability to continue as a going concern.**

STATEMENTS CONCERNING THESE AND OTHER MATTERS ARE NOT GUARANTEES OF THE REORGANIZED DEBTORS' FUTURE PERFORMANCE. THERE ARE RISKS, UNCERTAINTIES, AND OTHER IMPORTANT FACTORS THAT COULD CAUSE THE REORGANIZED DEBTORS' ACTUAL PERFORMANCE OR ACHIEVEMENTS TO BE DIFFERENT FROM THOSE THEY MAY PROJECT, AND THE DEBTORS UNDERTAKE NO OBLIGATION TO UPDATE THE PROJECTIONS MADE HEREIN. THESE RISKS, UNCERTAINTIES, AND FACTORS MAY INCLUDE THE FOLLOWING: THE DEBTORS' ABILITY TO CONFIRM AND CONSUMMATE THE PLAN; THE POTENTIAL THAT THE DEBTORS MAY NEED TO PURSUE AN ALTERNATIVE TRANSACTION IF THE PLAN IS NOT CONFIRMED; THE DEBTORS' ABILITY TO REDUCE THEIR OVERALL FINANCIAL LEVERAGE; THE POTENTIAL ADVERSE IMPACT OF THE CHAPTER 11 CASES ON THE DEBTORS' OPERATIONS, MANAGEMENT, AND EMPLOYEES; THE RISKS ASSOCIATED WITH OPERATING THE DEBTORS' BUSINESSES DURING THE CHAPTER 11 CASES; TENANTS' AND JOINT VENTURE PARTNERS' RESPONSES TO THE CHAPTER 11 CASES; THE DEBTORS' INABILITY TO DISCHARGE OR SETTLE CLAIMS DURING THE CHAPTER 11 CASES; GENERAL ECONOMIC, BUSINESS, AND MARKET CONDITIONS; CURRENCY FLUCTUATIONS; INTEREST RATE FLUCTUATIONS; PRICE INCREASES; EXPOSURE TO LITIGATION; A DECLINE IN THE DEBTORS' MARKET SHARE DUE TO COMPETITION; FINANCIAL CONDITIONS OF THE DEBTORS' TENANTS AND JOINT VENTURE PARTNERS; ADVERSE TAX CHANGES; LIMITED ACCESS TO CAPITAL RESOURCES; THE IMPACT OF THE COVID-19 PANDEMIC ON THE DEBTORS' BUSINESS; CHANGES IN DOMESTIC AND FOREIGN LAWS AND REGULATIONS; TRADE BALANCE; NATURAL DISASTERS; GEOPOLITICAL INSTABILITY; AND THE EFFECTS OF GOVERNMENTAL REGULATION ON THE DEBTORS' BUSINESSES.

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[2] Each Exhibit is incorporated by reference herein.

I. INTRODUCTION

Washington Prime Group Inc. ("WPG Inc.") and certain of its subsidiaries as debtors and debtors in possession (collectively, the "Debtors" and, together with WPG Inc.'s non-Debtor subsidiaries, the "Company" or "WPG") submit this disclosure statement (including all exhibits hereto and as may be supplemented or amended from time to time, the "Disclosure Statement") pursuant to sections 1125 and 1126 of the Bankruptcy Code in connection with the solicitation of the *Joint Chapter 11 Plan of Reorganization of Washington Prime Group Inc., and its Debtor Affiliates* (as may be supplemented or amended from time to time, the "Plan"). A copy of the Plan is attached hereto as **Exhibit A** and incorporated herein by reference.[1] Each Debtor is a proponent of the Plan within the meaning of section 1129 of the Bankruptcy Code. Although the Plan constitutes a single plan of reorganization for all Debtors, the Plan does not contemplate substantive consolidation of any of the Debtors. Reference is made to the Disclosure Statement for a discussion of the Debtors' history, business, properties, operations, projections, risk factors, a summary and description of the Plan, and certain related matters.

THE DEBTORS BELIEVE THAT THE COMPROMISES CONTEMPLATED UNDER THE PLAN ARE FAIR AND EQUITABLE, MAXIMIZE THE VALUE OF THE DEBTORS' ESTATES, AND PROVIDE THE BEST RECOVERY TO STAKEHOLDERS. AT THIS TIME, THE DEBTORS BELIEVE THE PLAN REPRESENTS THE BEST AVAILABLE OPTION FOR COMPLETING THE CHAPTER 11 CASES. THE DEBTORS STRONGLY RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

II. PRELIMINARY STATEMENT

WPG is a recognized market leader in the ownership, development, and management of retail real estate across the United States. WPG's real estate portfolio consists of material interests in 102 open air and enclosed retail properties, 97 of which it operates as of the date hereof, that comprise approximately 52 million feet of managed gross leasable area in 30 states. Department stores and large nationally or regionally recognized tenants as well as sit-down restaurants and movie theaters anchor WPG's retail properties. Many of WPG's tenants are household names such as Macy's, Inc., JCPenney Company, Inc., Dillard's, Inc., Target Corporation, and Kohl's Corporation. As of March 31, 2021, WPG's Tier 1 enclosed and open air properties had a 90.8% occupancy rate. WPG's ability to diversify its tenant mix has allowed it to remain competitive in recent years, despite a secular decline in brick-and-mortar retail and wave of retail bankruptcy filings.

Like most businesses, WPG experienced tremendous financial and operational stress over the last 15 months due to the COVID-19 pandemic. Jurisdictional closures and government-imposed capacity limitations across the United States severely disrupted WPG's operations, prohibiting in-person shopping that caused retail activity to severely contract. Without revenue, many of WPG's tenants required rent relief through rent deferrals and rent abatements. These measures resulted in a 21% reduction in net operating income in 2020 as compared to 2019, as disclosed in WPG's 2020 Form 10-K.[2]

As COVID-19 vaccines become more widely available and many state and local governments

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[1] Capitalized terms used but not defined in this Disclosure Statement have the meaning ascribed to such terms in the Plan. Additionally, this Disclosure Statement incorporates the rules of interpretation located in Article I of the Plan. **Any summary provided in this Disclosure Statement of any documents attached to this Disclosure Statement is qualified in its entirety by reference to the Plan, the exhibits, and other materials referenced in the Plan, Plan Supplement, and documents being summarized. The Plan governs in the event of any inconsistencies between it and the Disclosure Statement.**

[2] *See* Washington Prime Group Inc., 10-K fiscal year ended December 31, 2020, https://investor.washingtonprime.com/investor-relations/financial-info/sec-filings/default.aspx.

continue to ease restrictions, macroeconomic trends are now starting to reverse course. Indeed, all of the Debtors' properties have reopened since December 2020, and most retailers are fully operational. Consumer confidence increased dramatically in the first few months of 2021, rising 31.3 points from February 2021 to April 2021—the largest two-month gain on record in over 50 years.[3] This comes as many retail locations begin to see an increase in foot traffic, hiring, and growth expectations. In fact, sales at retail stores and restaurants in March 2021 surged by 10% month-over-month[4] and foot traffic at apparel stores in April rebounded to within 4% of April 2019 levels.[5] Monthly retail sales (including online) have also eclipsed pre-COVID-19 levels on a monthly basis, and the National Retail Federation expects annual retail sales to grow between 6.5% and 8.2% in 2021.[6]

Nevertheless, despite recent positive financial performance and growing optimism, the retail industry's ability to recover still remains uncertain, as the structural shift towards e-commerce continues to impact the bottom line for companies with expansive brick-and-mortar retail footprints. Because WPG derives almost all of its income from rental payments and other tenant charges, its cash available for distribution and operations have been adversely affected by tenants' inability to meet their obligations to the Company both before and during the COVID-19 pandemic. Many of WPG's retail tenants have also filed for bankruptcy protection, resulting in lease terminations and decreased occupancy rates that reduce overall foot traffic at a given property. Although WPG has supported its tenants through a combination of rent deferrals and rent abatements since early 2020, declining rent receipts and increased cash utilization has forced WPG to consider corporate debt restructuring initiatives to deleverage its balance sheet and right size its operational footprint.

After extensive hard-fought, arm's-length negotiations, the Debtors and Consenting Stakeholders entered into a restructuring support agreement on June 11, 2021, (as may be further amended, supplemented, or modified from time to time, the "Restructuring Support Agreement"), attached hereto as **Exhibit C**, prior to filing voluntary petitions under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the "Bankruptcy Court"). The Consenting Stakeholders are Holders of at least 74.5% of the aggregate principal amount of the 2018 Credit Facility Claims, Holders of at least 62% of the aggregate principal amount of the 2015 Credit Facility Claims, Holders of 100% of the aggregate principal amount of the Weberstown Term Loan Facility Claims, and Holders of at least 66.67% of the aggregate principal amount of the Unsecured Notes Claims.

The Restructuring Support Agreement provides for two paths toward a consensual resolution of these chapter 11 cases, each of which is encompassed in the Plan. The first path is the Equitization Restructuring, which is a comprehensive restructuring pursuant to which the equity of Reorganized WPG will be issued to existing shareholders, Unsecured Noteholders (on account of their Claims), and Unsecured Noteholders, and Backstop Parties that participate in an Equity Rights Offering. The Equitization Restructuring is anchored by the Plan Sponsor's commitment to equitize its Unsecured Notes Claims and backstop a $325 million rights offering, and the agreement of both the Plan Sponsor and Ad Hoc Lender

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[3] Payne Lubbers, *Consumer Confidence in U.S. Climed in April to Pandemic High*, Bloomberg, April 27, 2021, https://www.bloomberg.com/news/articles/2021-04-27/u-s-consumer-confidence-climbed-in-april-to-pandemic-high.

[4] Amara Omeokwe, *U.S. Shoppers Continued Stimulus-Fueled Spending in April*, The Wall St. Journal, May 14, 2021, https://www.wsj.com/articles/us-economy-april-retail-sales-coronavirus-recovery-11620941526.

[5] Suzanne Kapner, *Cargo Pants and Outdoor Slippers are Hot as Americans Return to Stores*, The Wall St. Journal, May 2, 2021, https://www.wsj.com/articles/cargo-pants-and-outdoor-slippers-are-hot-as-americans-return-to-stores-11619947801.

[6] *NFR Forecasts Retail Sales to Exceed $4.33T in 2021 as Vaccine Rollout Expands*, National Retail Federation, February 24, 2021, https://nrf.com/media-center/press-releases/nrf-forecasts-retail-sales-exceed-433t-2021-vaccine-rollout-expands.

Group to accept takeback paper in satisfaction of the bulk of the credit facilities claims.

In addition, a key component of the Restructuring Support Agreement and Plan is a "toggle" feature, allowing the Debtors to seek an alternative value-maximizing transaction that would repay, in full in Cash, all of the Company's corporate-level debt. Specifically, the Debtors will use the 60 days following the Petition Date to solicit proposals for such an alternative transaction, continuing the comprehensive marketing process that began prepetition. If such a proposal is received, and it provides a distribution to the Debtors' Existing Equity Interests in excess of what is provided for under the Equitization Restructuring, the Debtors are able to toggle to, and then effectuate, the Toggle Restructuring. Notably, to ensure a robust marketing process on the timeline proposed in the Bidding Procedures Motion, the Debtors, with the assistance of their proposed investment backer, Guggenheim Securities, LLC ("Guggenheim Securities"), and their other advisors, have conducted outreach to a broad group of relevant strategic and financial parties and have been in discussions with several potentially interested parties for nearly one month.

A. DIP Financing

The Debtors will have access to $100 million delayed-draw term loan debtor-in-possession financing facility (the "DIP Facility") to support these Chapter 11 Cases. Specifically, the DIP Facility will be used to administer these cases, operate the Debtors' business in the ordinary course, and facilitate the marketing process for an Acceptable Alternative Restructuring Proposal. The Debtors, with the assistance of their advisors, received numerous proposals for debtor-in-possession financing from potential third-party lenders and existing stakeholders during an extensive prepetition marketing process. After multiple rounds of negotiation with potential DIP lenders on the terms of their proposals, the Debtors determined that under the facts and circumstances of these Chapter 11 Cases, the terms embodied in the DIP Facility represent the best terms available to the Debtors. The Consenting Lenders under the Restructuring Support Agreement (the "DIP Lenders") are providing the DIP Facility.

B. The Equitization Restructuring

The Equitization Restructuring contemplates (1) a full equitization of the Unsecured Notes in exchange for the majority of the equity in Reorganized WPG,[7] (2) an Equity Rights Offering available to Holders of the Unsecured Notes to pay down the DIP Facility and fund emergence costs, (3) a partial paydown of the 2018 Credit Facility Claims, 2015 Credit Facility Claims, and Weberstown Term Loan Facility Claims, with the remainder of these Claims satisfied through takeback secured debt on terms acceptable to the Consenting Stakeholders, (4) unimpaired treatment for Holders of General Unsecured Claims, and (5) a recovery in the form of Cash or New Common Equity for Holders of Existing Preferred Equity Interests and Existing Common Equity Interests.[8]

As part of the Equitization Restructuring, the Debtors will conduct an Equity Rights Offering to raise up to $325 million in cash. Eligible Holders of Unsecured Notes Claims are entitled to purchase their

[7] Holders of Unsecured Notes' ownership of Reorganized WPG is subject to dilution pursuant to the Equity Rights Offering, Backstop Base Premium, and Management Incentive Program, as further described herein.

[8] Holders of Existing Preferred Equity Interests and Existing Common Equity Interests that are Eligible Election Participants under the Plan can elect to receive their Pro Rata share of the New Common Equity in an Equitization Restructuring scenario. If a Holder makes such election, the Debtors will seek to freeze any movement of such Holder's Existing Preferred Equity Interest and/or Existing Common Equity Interests between the transfer agent and the DTC. Refer to Article III.H. of this Disclosure Statement for additional information on this subject.

Pro Rata share of 50% of the Equity Rights at 32.5% discount to Set-Up Equity Value of $800 million.[9] Proceeds from the Equity Rights Offering will be utilized to satisfy the DIP Facility Claims in Cash in full, fund emergence costs, and fund the cash payments to Holders of Allowed Existing Equity Interests. If the maximum amount of $325 million is raised, the New Common Equity issued pursuant to the Equity Rights Offering will represent 60.2% of the New Common Equity on the Effective Date, subject to dilution by the Management Incentive Plan. The Plan Sponsor and its related funds have agreed to backstop 100% of the Equity Rights Offering.

The Equitization Restructuring is intended to shed approximately $950 million in secured and unsecured funded debt and provides a meaningful recovery for equity holders. The Plan treatment for each Class of Claims and Interests in an Equitization Restructuring is as follows:

- ***Revolving and Term Loan Facility Claims***. Each Holder of Revolving and Term Loan Facilities Claims shall receive in an Equitization Restructuring its Pro Rata share of (i) $1,187 million, *plus* the Elective Exit Loan Amount attributable to the Revolving and Term Loan Facilities Claims, if any, in principal amount of loans under the New Term Loan Exit Facility, and (ii) the Revolving and Term Loan Facilities Cash Pool (*i.e.*, $150 million plus Cash in the amount of certain additional accrued and unpaid amounts specified in the Plan);

- ***Weberstown Term Loan Facility Claims***. Each Holder of Weberstown Term Loan Facility Claims shall receive in the Equitization Restructuring its Pro Rata share of (i) $25 million, *plus* the Elective Exit Loan Amount attributable to the Weberstown Term Loan Facility Claims, if any, in principal amount of loans under the New Term Loan Exit Facility and (ii) the Weberstown Cash Pool (*i.e.*, $40 million plus Cash in the amount of certain additional accrued and unpaid amounts specified in the Plan);

- ***Unsecured Notes Claims***. Each Holder of Unsecured Notes Claims shall receive if the Equitization Restructuring occurs its Pro Rata share of (i) 100% of the New Common Equity, less any New Common Equity distributed to Holders of Existing Equity Interests pursuant to the Equity Options and subject to dilution on account of the Management Incentive Plan, Backstop Equity Premium, and the Equity Rights Offering and (ii) the Unsecured Noteholder Rights (*i.e.*, the right to purchase their Pro Rata share of 50% of the New Common Equity offered in the Equity Rights Offering, as specified in the Plan);

- ***Property-Level Mortgage Guarantee Claims***: Each Holder of Property-Level Mortgage Guarantee Claims shall receive, at the option of the applicable Debtor(s) (i) Reinstatement, or (ii) such other treatment reasonably acceptable to the Plan Sponsor rendering such Property-Level Mortgage Guarantee Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code;

- ***General Unsecured Claims***. Each Holder of General Unsecured Claims shall receive, at the option of the applicable Debtor, (i) payment in full in Cash, (ii) Reinstatement, or (iii) such other treatment reasonably acceptable to the Plan Sponsor rendering such General Unsecured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code;

- ***Existing Preferred Equity Interests***. Each Holder of Existing Preferred Equity Interests shall receive (i) if Class 10 votes in favor of the Plan, such Holder's Pro Rata share of the (A) Preferred Equity Cash Pool (*i.e.*, $40 million or $20 million if Class 11 votes to accept the Plan)

[9] The Set-Up Equity Value is solely utilized for purposes of the Equity Rights Offering and is not purported to be a valuation of Reorganized WPG.

or (B) if such Holder is an Eligible Election Participant,[10] and such Holder elects the Preferred Equity Option, such Holder's Pro Rata share of the Preferred Equity Equity Pool in lieu of the distribution pursuant to the Preferred Equity Cash Pool[11]; or (ii) if Class 10 votes to reject the Plan, each Holder of Existing Preferred Equity Interests shall not receive any distribution on account of such Interests, which will be canceled, released, and extinguished as of the Effective Date, and will be of no further force or effect; and

- ***Existing Common Equity Interests***. Each Holder of Existing Common Equity Interests shall receive in an Equitization Restructuring (i) if Holders of Existing Preferred Equity Interests and Existing Common Equity Interests in their respective Classes both vote in favor of the Plan, such Holder's Pro Rata share of the (A) Common Equity Cash Pool (*i.e.*, $20 million) or (B) if such Holder is an Eligible Election Participant, and such Holder elects the Common Equity Option, such Holder's Pro Rata share of the Common Equity Equity Pool in lieu of the distribution pursuant to the Common Equity Cash Pool[12]; or (ii) if Holders of Existing Preferred Equity Interests and Existing Common Equity Interests in their respective Classes, vote to reject the Plan, Holders of Existing Common Equity Interests shall not receive any distribution on account of such Interests, which will be canceled, released, and extinguished as of the Effective Date, and will be of no further force or effect.

C. The Toggle Restructuring

Pursuant to the Restructuring Support Agreement,[13] Plan, and Bidding Procedures (as defined in the Bidding Procedures Motion),[14] the Debtors are continuing their prepetition marketing process to determine whether a higher offer or combination of offers for either the Debtors' assets or a value-maximizing plan sponsor recapitalization proposal is available. Because the Debtors' process is ongoing, the form and structure of the transaction underlying the Toggle Restructuring is currently unknown. The only condition to electing the Toggle Restructuring, however, is known—an Acceptable Alternative Restructuring Proposal must be received. An Acceptable Alternative Restructuring Proposal must provide

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[10] "Eligible Election Participants" means Holders of Existing Equity Interests eligible to participate in the Equity Option; *provided* that in order to be an Eligible Election Participant, Holders of Existing Equity Interests must have Interests in an amount greater than (i) 4,000 Existing Preferred Equity Interests or (ii) 12,000 Existing Common Equity Interests as of the Equity Option Election Deadline.

[11] If less than 25% of Existing Equity Interests collectively elect the Equity Option, then, at the Debtors' election (subject to the consent of the Plan Sponsor), all Holders of Allowed Existing Equity Interests shall receive their Pro Rata share of Cash from their respective Equity Cash Pool and shall not receive New Common Equity.

[12] If less than 25% of Existing Equity Interests collectively elect the Equity Option, then, at the Debtors' election (subject to the consent of the Plan Sponsor), all Holders of Allowed Existing Equity Interests shall receive their Pro Rata share of Cash from their respective Equity Cash Pool and shall not receive New Common Equity.

[13] The Restructuring Support Agreement includes a broad "fiduciary out" that provides, in part, that nothing will require the Debtors to take any action or to refrain from taking any action with respect to the restructuring transactions to the extent taking or failing to take such action would be inconsistent with applicable law or its fiduciary obligations under applicable law. Moreover, Section 8.02(b) of the Restructuring Support Agreement permits the Debtors to, among other things, (a) (x) actively initiate, solicit, and induce any Acceptable Alternative Restructuring Proposals, or (y) consider, develop, facilitate, and respond to any Alternative Restructuring Proposals (or inquiries or indications of interest with respect thereto), or (b) otherwise cooperate with, assist, participate in, or facilitate any inquiries, proposals, discussions, or negotiation of Alternative Restructuring Proposals, pursuant to the terms of the Restructuring Support Agreement.

[14] *Debtors' Motion for Entry of an Order (I) Establishing Bidding Procedures, (II) Scheduling Certain Dates With Respect Thereto, (III) Approving the Form and Manner of Notice Thereof, and (IV) Granting Related Relief,* filed contemporaneously herewith (the "Bidding Procedures Motion") [Docket No. 27].

for payment in full in Cash of the DIP Facility and all senior debt (including pre- and postpetition default base rate interest) claims, Administrative Claims (including professional fees of Debtor advisors and advisors to the Plan Sponsor and the Ad Hoc Lender Group), the DIP Facility, General Unsecured Claims, and the Backstop Base Premium, plus a recovery for the Debtors' Existing Equity Interests in excess of what is provided for under the Equitization Restructuring. This is the case regardless of whether Holders of Claims or Interests vote to reject the Plan, as such Holders will be entitled to the Toggle Restructuring Distributable Proceeds in the order of priority under the Bankruptcy Code. Therefore, stakeholders only stand to see their recoveries ***improve*** or maintain if a Toggle Restructuring is implemented.

On the Petition Date, the Debtors filed the Bidding Procedures Motion to approve the Bidding Procedures to use as part of the postpetition marketing process to obtain an Acceptable Alternative Restructuring Proposal. The Debtors were actively engaged in discussions and diligence efforts with certain strategic and financial third parties prior to the Petition Date. That process will continue postpetition pursuant to the bidding process, as the Debtors, with the assistance of their advisors, are engaging with parties to determine whether a value-maximizing Toggle Restructuring option exists. The Bidding Procedures formalize the marketing timeline, requiring formal bids on or before August 4, 2021, at 4:00 p.m., prevailing Central Time. If necessary, the Debtors will hold an auction on August 6, 2021, at 9:00 a.m., prevailing Central Time.

If the Debtors secure a committed and binding offer before August 12, 2021, *i.e.*, the Confirmation Order Milestone (as defined in the Restructuring Support Agreement), and deliver a Toggle Election Notice to the Plan Sponsor, the Debtors will have until August 26, 2021, to confirm the Plan implementing such Acceptable Alternative Restructuring Proposal through the Toggle Restructuring and then, no later than fifteen (15) days after entry of a Confirmation Order, the Effective Date of the Plan must occur. The Plan Sponsor will be entitled to a $27.5 million Backstop Base Premium (subject to the Bankruptcy Court's approval) if the Toggle Restructuring is effectuated unless the Plan Sponsor is in breach of the Restructuring Support Agreement. The Debtors believe that this dual-track path towards a holistic restructuring allows the Debtors to maximize value for the estates.

D. Restructuring Timeline

Pursuant to the Plan and Restructuring Support Agreement, the Debtors have agreed to implement either the Equitization Restructuring or the Toggle Restructuring in accordance with the following milestones:

EVENT	Δ PETITION DATE	OUTSIDE DATE
DIP Interim Order	5 days	June 18, 2021
Backstop Approval Order	30 days	July 13, 2021
DIP Final Order	45 days	July 28, 2021
Deadline to Obtain Acceptable Alternative Restructuring Transaction	60 days	August 12, 2021
Equitization Restructuring Timeline		
Confirmation Order	60 days	August 12, 2021
Plan Effective Date	15 days after Entry of Confirmation Order	

Acceptable Alternative Restructuring Timeline		
Confirmation Order	74 days	August 26, 2021
Plan Effective Date	15 days after Entry of Confirmation Order	

The Debtors intend to solicit votes to accept or reject the Plan and on the proposed confirmation timeline, which is consistent with the milestones and Bankruptcy Code.

EVENT	DEADLINE
Voting Record Date	July 9, 2021
Hearing on Conditional Approval of the Disclosure Statement	July 12, 2021, at 9:00 a.m., prevailing Central Time
Solicitation Deadline	July 14, 2021
Subscription Commencement Date	July 14, 2021
Publication Deadline	July 14, 2021 or as soon as practicable thereafter
Plan Supplement Filing Deadline	August 3, 2021
Subscription Expiration Date	August 3, 2021
Voting Deadline	August 6, 2021
Objection Deadline	August 6, 2021
Deadline to file Voting Report	August 11, 2021
Combined Hearing (if Equitization Restructuring)	August 12, 2021
Combined Hearing (if Toggle Restructuring)	August 26, 2021

The Restructuring Support Agreement and the Plan are supported by Holders of at least 74.5% of the aggregate principal amount of the 2018 Credit Facility Claims, Holders of at least 62% of the aggregate principal amount of the 2015 Credit Facility Claims, Holders of 100% of the aggregate principal amount of the Weberstown Term Loan Facility Claims, and Holders of at least 66.67% of the aggregate principal amount of the Unsecured Notes Claims. The Debtors strongly believe that the Plan is in the best interests of the Debtors' estates, represents the best available path to reorganize the business, and significantly deleverages the Debtors' corporate balance sheet, while providing a meaningful recovery to Existing Equity Interests. As such, the Debtors strongly urge all Holders of Claims and Interests entitled to vote to accept the Plan by returning their ballots no later than **August 6, 2021, at 4:00 p.m., prevailing Central Time** (the "Voting Deadline"). Prime Clerk LLC, the Debtors' solicitation agent, (the "Solicitation Agent") must receive ballots from voting creditors and equity holders in accordance with the Solicitation Procedures (as defined herein) on or before the Voting Deadline. If the Plan receives the requisite acceptances, the Debtors will seek confirmation of the Plan at a hearing (the "Confirmation Hearing") before the Bankruptcy Court on **August 12, 2021, at 9:00 a.m., prevailing Central Time**.[15]

[15] Hearing dates are subject to the Bankruptcy Court's availability, and parties in interest should monitor the docket for these Chapter 11 Cases for updates at https://cases.primeclerk.com/washingtonprime or https://ecf.txsb.uscourts.gov.

III. QUESTIONS AND ANSWERS ABOUT THIS DISCLOSURE STATEMENT AND PLAN

A. What is chapter 11?

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. In addition to permitting debtor rehabilitation, chapter 11 promotes equality of treatment for creditors and similarly situated equity interest holders, subject to the priority of distributions prescribed in the Bankruptcy Code. The commencement of a chapter 11 case creates an estate that comprises all of the legal and equitable interests of the debtor as of the date that the chapter 11 case is commenced. The Bankruptcy Code provides that the debtor may continue to operate its business and remain in possession of its property as a "debtor in possession" until the chapter 11 plan is consummated.

Consummating a plan is the principal objective of a chapter 11 case. A bankruptcy court's confirmation of a plan binds the debtor, any person acquiring property under the plan, any creditor or equity interest holder of the debtor (whether or not such creditor or equity interest holder voted to accept the plan), and any other entity as the bankruptcy court may order. Subject to certain limited exceptions, a bankruptcy court order confirming a plan provides for the treatment of the debtor's liabilities in accordance with the terms of the confirmed plan.

B. Why are the Debtors sending me this Disclosure Statement?

The Debtors are seeking to obtain Court approval of the Plan. Before soliciting acceptances of the Plan, section 1125 of the Bankruptcy Code requires the Debtors to prepare a disclosure statement containing adequate information of a kind and in sufficient detail to enable a hypothetical reasonable investor to make an informed judgment regarding acceptance of the Plan and to share such disclosure statement with all Holders of Claims and Interests whose votes on the Plan are being solicited. This Disclosure Statement is being submitted in accordance with these requirements.

C. Am I entitled to vote on the Plan?

Holders of Claims and Interests are entitled to vote depending on the Class their Claims and/or Interests are in the Plan, which is set forth below.

Class	Claim or Interest	Status	Voting Rights
1	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
2	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
3	[***Reserved***]		
4A	Revolving and Term Loan Facilities Claims	Impaired	Entitled to Vote
4B	Weberstown Term Loan Facility Claims	Impaired	Entitled to Vote
5	Unsecured Notes Claims	Impaired	Entitled to Vote
6	Property-Level Mortgage Guarantee Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
7	General Unsecured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)

Class	Claim or Interest	Status	Voting Rights
8	Intercompany Claims	Impaired / Unimpaired	Not Entitled to Vote (Deemed to Accept or Reject)
9	Intercompany Interests	Impaired / Unimpaired	Not Entitled to Vote (Deemed to Accept or Reject)
10	Existing Preferred Equity Interests	Impaired	Entitled to Vote
11	Existing Common Equity Interests	Impaired	Entitled to Vote
12	510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

D. What will I receive from the Debtors if the Plan is consummated?

As set forth in Article III of the Plan and in accordance with sections 1122 and 1123(a)(1) of the Bankruptcy Code, all Claims and Interests (other than Administrative Claims, Professional Fee Claims, DIP Claims, and Priority Tax Claims) are classified into Classes for all purposes, including voting, Confirmation, and distributions. A Claim or an Interest is classified in a particular Class only to the extent that such Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of such Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest also is classified in a particular Class for the purpose of receiving distributions under the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

The table below summarizes the treatment of all unclassified Claims under the Plan. The treatment and the projected recoveries of unclassified Claims are described in summary form below for illustrative purposes only. Risk factors addressing the effects of the actual amount of Allowed unclassified Claims exceeding the Debtors' estimates and of such variation on creditor recoveries as well as other risks related to Confirmation and the Effective Date of the Plan are addressed in Article X hereof.

SUMMARY OF EXPECTED RECOVERIES					
Class	**Claim/Interest**	**Treatment of Claim/ Interest**	**Projected Amount of Claims**	**Estimated Recovery Under Plan**	**Estimated Recovery Under Chapter 7**
Unclassified Non-Voting Claims					
N/A	DIP Claims	Each Holder of an Allowed DIP Claim shall receive payment in full in Cash.	N/A	N/A	[●]%
N/A	Administrative Claims	Each Holder of an Allowed Administrative Claim shall receive payment in full in Cash.	N/A	N/A	[●]%
N/A	Priority Tax Claims	Each Holder of an Allowed Priority Tax Claim shall receive treatment in a manner consistent with section 1129(a)(9)(C) of the Bankruptcy Code.	N/A	N/A	[●]%

Each Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive under the Plan the treatment described below in full and final satisfaction, settlement, release, and discharge of and in exchange for such Holder's Allowed Claim or Allowed Interest, except to the extent different treatment is agreed to by the Reorganized Debtors and the Holder of such Allowed Claim or Allowed Interest, as applicable. Unless otherwise indicated, the Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive such treatment on the Effective Date or as soon as reasonably practicable thereafter.

SUMMARY OF EXPECTED RECOVERIES					
Class	**Claim/Interest**	**Treatment of Claim/ Interest**	**Projected Amount of Claims**	**Estimated Recovery Under Plan**	**Estimated Recovery Under Chapter 7**
1	Other Secured Claims	Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Other Secured Claim, each such Holder shall receive, at the option of the applicable Debtor(s), either (i) payment in full in Cash; (ii) delivery of collateral securing such Allowed Other Secured Claim and payment of any interest required under section 506(b) of the Bankruptcy Code; (iii) Reinstatement of such Allowed Other Secured Claim; (iv) if the Equitization Restructuring Occurs, such other treatment rendering its Allowed Other Secured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code; and (v) if the Toggle Restructuring occurs, such other treatment rendering its Allowed Other Secured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.	$0	100%	[●]%

SUMMARY OF EXPECTED RECOVERIES					
Class	**Claim/Interest**	**Treatment of Claim/ Interest**	**Projected Amount of Claims**	**Estimated Recovery Under Plan**	**Estimated Recovery Under Chapter 7**
2	Other Priority Claims	Except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Other Priority Claim, each such Holder shall receive, at the option of the applicable Debtor(s), either (i) payment in full in Cash; (ii) Reinstatement of its Allowed Other Priority Claim; (iii) if the Equitization Restructuring occus, such other treatment rendering its Allowed Other Priority Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code; or (iv) if the Toggle Restructuring occurs, such other treatment rendering its Allowed Other Priority Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.	$0	100%	[●]%
3	[***Reserved***]				
4A	Revolving and Term Loan Facilities Claims	Except to the extent that a Holder of an Allowed Revolving and Term Loan Facilities Claim agrees to less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Revolving and Term Loan Facilities Claim, each Holder of an Allowed Revolving and Term Loan Facilities Claim shall receive, on the Effective Date (i) if the Equitization Restructuring occurs, its Pro Rata share of (A) $1,187,000,000 *plus* the Elective Exit Loan Amount attributable to the Revolving and Term Loan Facilities Claims, if any, in principal amount of loans under the New Term Loan Exit Facility, and (B) the Revolving and Term Loan Facilities Cash Pool; or (ii) if the Toggle Restructuring occurs, the Allowed Amount of such Holder's Claim in Cash (including postpetition interest at the applicable default base rates set forth in the applicable Revolving and Term Loan Credit Agreement for the entire postpetition period, which interest shall be Allowed).	Aggregate Principal Balance of $1,337 million	100%	[●]%
4B	Weberstown Term Loan	Except to the extent that a Holder of an Allowed Weberstown Term Loan Facility	Aggregate Principal	100%	[●]%

SUMMARY OF EXPECTED RECOVERIES					
Class	**Claim/Interest**	**Treatment of Claim/ Interest**	**Projected Amount of Claims**	**Estimated Recovery Under Plan**	**Estimated Recovery Under Chapter 7**
	Facility Claims	Claim agrees to less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Weberstown Term Loan Facility Claim, each Holder of an Allowed Weberstown Term Loan Facility Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter (i) if the Equitization Restructuring occurs, its Pro Rata share of (A) of $25,000,000 plus the Elective Exit Loan Amount attributable to the Weberstown Term Loan Facility Claims, if any, in principal amount of loans under the New Term Loan Exit Facility, and (B) the Weberstown Cash Pool; or (ii) if the Toggle Restructuring occurs, the Allowed Amount of such Holder's Claim in Cash (including postpetition interest at the default base rate as set forth in the Weberstown Term Loan Agreement for the entire postpetition period, which interest shall be Allowed).	Balance of $65 million		
5	Unsecured Notes Claims	Except to the extent that a Holder of an Allowed Unsecured Notes Claim agrees to less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Unsecured Notes Claim, each Holder of an Allowed Unsecured Notes Claim shall receive: (i) if the Equitization Restructuring occurs, its Pro Rata share of (A) 100% of the New Common Equity, *less* any New Common Equity distributed to Holders of Existing Equity Interests pursuant to the Equity Option, and subject to dilution on account of the Management Incentive Plan, the Backstop Base Premium, and the Equity Rights Offering, and (B) the Unsecured Noteholder Rights; or (i) if the Toggle Restructuring occurs, the Allowed Amount	Aggregate Principal Balance of $720.9 million and $39.0 million of accrued and unpaid interest	41.8% – 46.5%[16]	[●]%

[16] The recoveries provided for Class 5 are illustrative only. The percentages were calculated using the Set-Up Equity Value of $800 million, which is not purported to be a valuation of Reorganized WPG, and the maximum Equity Rights Offering amount of $325 million. The range of recoveries assumes that Class 10 votes to accept the Plan and represents (1) at the low end, the assumption that all Existing Equity Interests (Classes 10 and 11) are able to and do elect the Common Equity Option and/or Preferred Equity Option, each as applicable, and (2) at the high end, the assumption that all Existing Equity Interests (Classes 10 and 11) either elect or are required to receive cash.

SUMMARY OF EXPECTED RECOVERIES					
Class	**Claim/Interest**	**Treatment of Claim/ Interest**	**Projected Amount of Claims**	**Estimated Recovery Under Plan**	**Estimated Recovery Under Chapter 7**
		of such Holder's Claim in Cash.			
6	Property-Level Mortgage Guarantee Claims	Except to the extent that a Holder of an Allowed Property-Level Mortgage Guarantee Claim agrees to less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Property-Level Mortgage Guarantee Claim, each such Holder shall receive, at the option of the applicable Debtor(s): (i) Reinstatement; or (ii) if the Equitization Restructuring occurs, such other treatment reasonably acceptable to the Plan Sponsor rendering such Property-Level Mortgage Guarantee Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code; or (iii) if the Toggle Restructuring occurs, such other treatment rendering such Property-Level Mortgage Guarantee Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.	[●]	100%	[●]%
7	General Unsecured Claims	On the Effective Date, each holder of an Allowed General Unsecured Claim shall receive, at the option of the applicable Debtor: (i) payment in full in Cash; (ii) Reinstatement; (iii) if the Equitization Restructuring occurs, such other treatment reasonably acceptable to the Plan Sponsor rendering such General Unsecured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code; or (iv) if the Toggle Restructuring occurs, such other treatment rendering such General Unsecured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.	$13.0 million	100%	[●]%
8	Intercompany Claims	Except to the extent otherwise provided in the Restructuring Steps Memorandum, on the Effective Date, Intercompany Claims shall, at the option of the Debtors, and solely with respect to the Equitization Restructuring, with the reasonable consent of the Plan Sponsor either be: (i) Reinstated or (ii) discharged, cancelled, released, and extinguished and of no further force or effect without any distribution on account of such Interest.	$1,857.0 million	100%	[●]%

SUMMARY OF EXPECTED RECOVERIES					
Class	**Claim/Interest**	**Treatment of Claim/ Interest**	**Projected Amount of Claims**	**Estimated Recovery Under Plan**	**Estimated Recovery Under Chapter 7**
9	Intercompany Interests	Except to the extent otherwise provided in the Restructuring Steps Memorandum, and subject to the Restructuring Support Agreement, on the Effective Date, Intercompany Interests shall, at the option of the Debtors, and solely with respect to the Equitization Restructuring, with the reasonable consent of the Plan Sponsor and the reasonable consent of the Required Consenting Ad Hoc Lenders with respect to any cancellations, releases, and extinguishments (x) of Intercompany Interests in any Debtor that will be a borrower or guarantor under the New Term Loan Exit Facility or (y) that are materially adverse to the Ad Hoc Lender Group in their capacities as lenders under the New Term Loan Exit Facility, either be: (i) Reinstated or (ii) discharged, cancelled, released, and extinguished and of no further force or effect without any distribution on account of such Interests.	N/A	100%	[●]%
10	Existing Preferred Equity Interests	On the Plan Effective Date or as soon as reasonably practicable thereafter, except to the extent that a Holder of an Allowed Existing Preferred Equity Interest agrees to less favorable treatment of its Allowed Interest, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed Existing Preferred Equity Interest each Holder of an Allowed Existing Preferred Equity Interest shall receive either: (i) if the Equitization Restructuring occurs: (a) **if Class 10 votes in favor of the Plan**, such Holder's Pro Rata share of the (1) Preferred Equity Cash Pool, or (2) if such Holder is an Eligible Election Participant, and such Holder elects the Preferred Equity Option, such Holder's Pro Rata share of the Preferred Equity Equity Pool in lieu of the distribution in the preceding clause (1); or (b) **if Class 10 votes to reject the Plan,** Holders of Existing Preferred Equity Interests shall not receive any distribution on account of such Interests, which will be canceled, released, and extinguished as of the Effective Date, and will be of no further force or effect; or (ii) if the Toggle Restructuring occurs: (a) **if Class 10 and**	N/A	See Article III.F for Additional Information	[●]%

SUMMARY OF EXPECTED RECOVERIES					
Class	**Claim/Interest**	**Treatment of Claim/ Interest**	**Projected Amount of Claims**	**Estimated Recovery Under Plan**	**Estimated Recovery Under Chapter 7**
		Class 11 both vote in favor of the Plan, such Holder's Pro Rata share of 50% of the Existing Equity Interests Toggle Recovery; *provided* that no Allowed Existing Preferred Equity Interest may recover an amount greater than its Liquidation Preference; (b) **if Class 10 votes in favor of the Plan, and Class 11 votes to reject the Plan**, such Holder's Pro Rata share of 100% of the Existing Equity Interests Toggle Recovery; *provided* that no Allowed Existing Preferred Equity Interest may recover an amount greater than its Liquidation Preference; or (c) **if Class 10 votes to reject the Plan,** such Holder's Pro Rata share of the Toggle Restructuring Distributable Proceeds pursuant to the Toggle Restructuring Equity Waterfall Distribution.			
11	Existing Common Equity Interests	On the Plan Effective Date, except to the extent that a Holder of an Allowed Existing Equity Interest agrees to less favorable treatment of its Allowed Interest, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed Existing Common Equity Interest each Holder of an Allowed Existing Common Equity Interest shall receive either: (i) If the Equitization Restructuring occurs: (a) **if Class 10 and Class 11 both vote in favor of the Plan**, such Holder's Pro Rata share of the (1) Common Equity Cash Pool, or (2) if such Holder is an Eligible Election Participant, and such Holder elects the Common Equity Option, such Holder's Pro Rata share of the Common Equity Equity Pool in lieu of the distribution in the preceding clause (1); or (b) **if Class 10 or Class 11 votes to reject the Plan**, Holders of Existing Common Equity Interests shall not receive any distribution on account of such Interests, which will be canceled, released, and extinguished as of the Effective Date, and will be of no further force or effect. (ii) If the Toggle Restructuring occurs, (a) **if Class 10 and Class 11 both vote in favor of the Plan,** such Holder's Pro Rata share of 50% of the Existing Equity Interests Toggle	N/A	See Article III.G for Additional Information	[●]%

SUMMARY OF EXPECTED RECOVERIES					
Class	**Claim/Interest**	**Treatment of Claim/ Interest**	**Projected Amount of Claims**	**Estimated Recovery Under Plan**	**Estimated Recovery Under Chapter 7**
		Recovery; or (b) **if Class 10 or Class 11 votes to reject the Plan**, such Holder's Pro Rata share of the Toggle Restructuring Distributable Proceeds pursuant to the Toggle Restructuring Equity Waterfall Distribution			
12	Section 510(b) Claims	Section 510(b) Claims will be cancelled, released, discharged, and extinguished as of the Effective Date, and will be of no further force or effect, and Holders of Section 510(b) Claims will not receive any distribution on account of such Section 510(b) Claims.	N/A	N/A	N/A

THE PROJECTED RECOVERIES SET FORTH IN THE TABLE ABOVE ARE ESTIMATES ONLY AND THEREFORE ARE SUBJECT TO CHANGE. REFERENCE SHOULD BE MADE TO THE ENTIRE PLAN FOR A COMPLETE DESCRIPTION OF THE DEBTORS' CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS.

E. What is the Toggle Restructuring under the Plan? How does it affect the treatment of Claims and Interest?

The Toggle Restructuring is an alternative transaction to the Equitization Restructuring contemplated in the Plan. Pursuant to the Restructuring Support Agreement, the Debtors may solicit alternative restructuring proposals from third parties through and until August 12, 2021. On the Petition Date, the Debtors filed the Bidding Procedures Motion seeking to approve Bidding Procedures that will be used to establish the timeline for the postpetition marketing process and to set the bid requirements and other aspects of this process. The Bidding Procedures and corresponding marketing efforts are designed to secure the highest and best proposal for the Debtors and/or their assets. If the Debtors' process generates a transaction that provides greater value to the Existing Equity Interests relative to the Equitization Restructuring, then the Debtors are permitted to pursue that transaction so long as Holders of Allowed (1) Administrative Claims, including the DIP Claims, (2) 2015 Credit Facility Claims, (3) 2018 Credit Facility Claims, (4) Weberstown Term Loan Facility Claims, and (5) Unsecured Notes Claims (in each case, including pre- and postpetition default base rate interest, as applicable) are paid in full in Cash on the Effective Date. If the Debtors determine to pursue an alternative transaction, Holders of Claims in Classes 4A, 4B, 5, 10, and 11 will receive the treatment associated with the Toggle Restructuring rather than the Equitization Restructuring under Article III.B. of the Plan.

RECOVERIES PROVIDED TO CLAIMS UNDER A TOGGLE RESTRUCTURING WILL BE NO LESS THAN THOSE RECOVERIES PROVIDED UNDER THE EQUITIZATION RESTRUCTURING. DEPENDING ON THE TERMS OF THE ACCEPTABLE ALTERNATIVE RESTRUCTURING, RECOVERIES PROVIDED TO CLAIMS AND INTERESTS MAY BE INCREASED. REFER TO THE PLAN FOR EXACT DESCRIPTIONS OF THE TREATMENT OF SUCH CLAIMS AND INTERESTS.

F. What is the difference between the treatment of Existing Preferred Equity Interests and Existing Common Equity Interests under the Equitization Restructuring?

Holders of Existing Preferred Equity Interests and Existing Common Equity Interests each have the opportunity to receive Cash or New Common Equity in Reorganized WPG under the Equitization Restructuring.

Under the Equitization Restructuring, a Holder of Existing Preferred Equity Interests in Class 10 may receive its Pro Rata share of $40 million (or $20 million if the Holders of Existing Common Equity in Class 11 vote in favor of the Plan) **unless** such Holder is eligible to elect and does so elect on the ballot to receive the Preferred Equity Option in lieu of Cash. If such Holder is an Eligible Election Participant and elects the Preferred Equity Option, such Holder of Existing Preferred Equity Interests will receive its Pro Rata share of 6.125% of New Common Equity (or 3.0625% of New Common Equity if the Holders of Existing Common Equity in Class 11 vote in favor of the Plan) in lieu of its Pro Rata share of the Preferred Equity Cash Pool. The Preferred Equity Option is subject to dilution on account of the Management Incentive Plan and New Common Equity issued in the Equity Rights Offering (and on account of the Backstop Equity Premium) for the portion of the Equity Rights Offering Amount in excess of $260 million. Holders of Existing Preferred Equity Interests in Class 10 will only receive this distribution if Class 10 votes to accept the Plan. Otherwise, such Holders will receive no distribution and their Existing Preferred Equity Interest will be canceled, released, and extinguished as of the Plan's Effective Date. For the avoidance of doubt, elections of New Common Equity by Eligible Election Participants will ratably reduce the distributions of the Preferred Equity Cash Pool by the Pro Rata percentage of Existing Preferred Equity Interests electing and actually receiving the Preferred Equity Option.

Under the Equitization Restructuring, a Holder of Existing Common Equity Interests in Class 11 will only receive a distribution in an Equitization Restructuring if both Class 10 and Class 11 vote to accept the Plan. **If either Class 10 or Class 11 votes to reject the Plan, Holders of Existing Common Equity Interests shall not receive any distribution on account of such Interests, which will be canceled, released, and extinguished as of the Effective Date.** In the event that both Classes 10 and 11 vote to accept the Plan, a Holder of Existing Common Equity Interests will receive its Pro Rata share of $20 million **unless** such Holder is eligible to elect and does so elect to receive the Common Equity Option in lieu of the Common Equity Cash Pool. If such Holder is an Eligible Election Participant and such Holder elects the Common Equity Option, such Holder of Existing Common Equity Interests will receive its Pro Rata share of 3.0625% of New Common Equity, subject to dilution on account of the Management Incentive Plan and New Common Equity issued in the Equity Rights Offering (and on account of the Backstop Equity Premium) for the portion of the Equity Rights Offering Amount in excess of $260 million. For the avoidance of doubt, elections of New Common Equity by Holders of Allowed Existing Common Equity Interests will ratably reduce the distributions of the Common Equity Cash Pool by the Pro Rata percentage of Existing Common Equity Interests electing and actually receiving the Common Equity Option.

However, under the Equitization Restructuring, if less than 25% of Existing Equity Interests collectively elect the Equity Option, then, at the Debtors' election (and subject to the consent of the Plan Sponsor), all Holders of Allowed Existing Equity Interests shall receive their Pro Rata share of their entitled recovery in Cash notwithstanding any Equity Option election made by such Holders.

Below is a chart that summarizes the treatment of Holders of Existing Preferred Equity Interests and Existing Common Equity Interests depending on whether Class 10 and Class 11 vote to accept or reject the Plan under the Equitization Restructuring.

Equitization Restructuring		
Voting Results	**Class 10 (Existing Preferred Equity Interests)**	**Class 11 (Existing Common Equity Interests)**
Class 10 Accepts & Class 11 Accepts	Pro Rata share of Preferred Equity Cash Pool[17] or Preferred Equity Equity Pool[18]	Pro Rata share of Common Equity Cash Pool[19] or Common Equity Equity Pool[20]
Class 10 Accepts & Class 11 Rejects	Pro Rata share of Preferred Equity Cash Pool or Preferred Equity Equity Pool	No recovery
Class 10 Rejects & Class 11 Accepts	No recovery	No recovery
Class 10 Rejects & Class 11 Rejects	No recovery	No recovery

G. What is the difference between the treatment of Existing Preferred Equity Interests and Existing Common Equity Interests under the Toggle Restructuring?

The treatment of Holders of Existing Preferred Equity Interests and Existing Common Interests is different under the Toggle Restructuring than under the Equitization Restructuring. If the Toggle Restructuring occurs and both Class 10 and Class 11 vote to accept the Plan, both Classes of such Holders will be entitled to share ratably in 50% of the Existing Equity Interests Toggle Recovery for each Class; *provided* that Holders of Preferred Equity Interests cannot receive more than such Holder's Liquidation Preference of such Holder's Existing Preferred Equity Interests. But if Holders of Existing Preferred Equity Interests in Class 10 vote to ***accept*** the Plan and Holders of Existing Common Equity Interests in Class 11

[17] "Preferred Equity Cash Pool" means, in the case of the Equitization Restructuring, the maximum aggregate amount of Cash to be distributed to holders of Allowed Existing Preferred Equity Interests who do not affirmatively elect to participate in the Preferred Equity Option, which amount shall be $40,000,000; *provided* that if Class 11 votes to accept the Plan, the maximum aggregate amount of the Preferred Equity Cash Pool shall be reduced to $20,000,000. For the avoidance of doubt, elections of New Common Equity by Eligible Election Participants shall ratably reduce the distributions of the Preferred Equity Cash Pool by the Pro Rata percentage of Existing Preferred Equity Interests electing actually receiving New Common Equity pursuant to the Preferred Equity Option.

[18] "Preferred Equity Equity Pool" means 6.125% of New Common Equity; *provided* that if Class 11 votes in favor of the Plan, the Preferred Equity Equity Pool shall be reduced to 3.0625% of New Common Equity, and in each case, of which a portion may be distributed corresponding to the Pro Rata percentage of Existing Preferred Equity Interests electing the Preferred Equity Option; *provided,* that the Preferred Equity Equity Pool shall be subject to dilution on account of the Management Incentive Plan and New Common Equity issued in the Equity Rights Offering (and on account of the Backstop Equity Premium) for the portion of the Equity Rights Offering Amount that is in excess of $260,000,000.

[19] "Common Equity Cash Pool" means, in the case of the Equitization Restructuring, the maximum aggregate amount of Cash to be distributed to holders of Allowed Existing Common Equity Interests who do not affirmatively elect to participate in the Common Equity Option, which amount shall be $20,000,000. For the avoidance of doubt, elections of New Common Equity by Eligible Election Participants shall ratably reduce the distributions of the Common Equity Cash Pool by the Pro Rata percentage of Existing Common Equity Interests electing and actually receiving New Common Equity pursuant the Common Equity Option.

[20] "Common Equity Equity Pool" means 3.0625% of New Common Equity, of which a portion may be distributed corresponding to the Pro Rata percentage of Existing Common Equity Interests electing the Common Equity Option; *provided* that the Common Equity Equity Pool shall be subject to dilution on account of the Management Incentive Plan and the New Common Equity issued in the Equity Rights Offering for the portion of the Equity Rights Offering Amount (and on account of the Backstop Equity Premium) that is in excess of $260,000,000.

vote to ***reject*** the Plan, then Holders of Existing Preferred Equity Interests in Class 10 will receive their Pro Rata share of 100% of the Existing Equity Interests Toggle Recovery, and Existing Common Equity Interests will be entitled to the Toggle Restructuring Distributable Proceeds pursuant to the Toggle Restructuring Equity Waterfall Distribution. For the avoidance of doubt, however, each Holder of Existing Preferred Equity Interests cannot receive more than their Pro Rata share of the Liquidation Preference for such Holder's Existing Preferred Equity Interests in a Toggle Restructuring. If Holders of Existing Preferred Equity Interests in Classes 10 vote to ***reject*** the Plan, then Holders of Existing Preferred Equity Interests in Class 10 and Holders of Existing Common Equity Interests in Class 11 will be entitled to Toggle Restructuring Distributable Proceeds pursuant to the Toggle Restructuring Equity Waterfall Distribution.

Below is a chart that summarizes the treatment of Holders of Existing Preferred Equity Interests and Existing Common Equity Interests depending on whether Class 10 and Class 11 vote to accept or reject the Plan under the Toggle Restructuring.

Toggle Restructuring		
Voting Results	**Class 10 (Existing Preferred Equity Interests)**	**Class 11 (Existing Common Equity Interests)**
Class 10 Accepts & Class 11 Accepts	Pro Rata share of 50% of the Existing Equity Interests Toggle Recovery[21]	Pro Rata share of 50% of the Existing Equity Interests Toggle Recovery
Class 10 Accepts & Class 11 Rejects	Pro Rata share of 100% of the Existing Equity Interests Toggle Recovery (capped at the aggregate Liquidation Preference)	Pro Rata share of the Toggle Restructuring Distributable Proceeds[22] pursuant to the Toggle Restructuring Equity Waterfall Distribution[23]
Class 10 Rejects & Class 11 Accepts	Pro Rata share of the Toggle Restructuring Distributable Proceeds pursuant to the Toggle Restructuring Equity Waterfall Distribution	Pro Rata share of the Toggle Restructuring Distributable Proceeds pursuant to the Toggle Restructuring Equity Waterfall Distribution
Class 10 Rejects & Class 11 Rejects	Pro Rata share of the Toggle Restructuring Distributable Proceeds pursuant to the Toggle Restructuring Equity Waterfall Distribution	Pro Rata share of the Toggle Restructuring Distributable Proceeds pursuant to the Toggle Restructuring Equity Waterfall Distribution

H. Are any regulatory approvals required to consummate the Plan?

There are no known U.S. regulatory approvals that are required to consummate the Plan. However, if any such regulatory approvals or other authorizations, consents, rulings, or documents are necessary to

[21] "Existing Equity Interests Toggle Recovery" means the distribution in Cash or non-Cash consideration available to Holders of Existing Equity Interests, after payment in full in Cash of the Backstop Base Premium, and all Claims (other than General Unsecured Claims, which may be reinstated), together with postpetition interest at the default contract rate on certain Claims, where applicable.

[22] "Toggle Restructuring Distributable Proceeds" means all available Cash, New Common Equity, or other non-Cash consideration to be distributed under a Toggle Restructuring.

[23] "Toggle Restructuring Equity Waterfall Distribution" means the priority distribution of the Existing Equity Interests Toggle Recovery, which shall be allocated and paid to Holders of Interests, until paid in full in the following priority (and in each case, on a Pro Rata basis): *first*, on account of the Liquidation Preference of Allowed Existing Preferred Equity Interests; *provided* that no Allowed Existing Preferred Equity Interest may recover an amount greater than its Liquidation Preference; and *second*, on account of Allowed Existing Common Equity Interests.

implement and effectuate the Plan, it is a condition precedent to the Effective Date that they be obtained.

I. Can Holder of Existing Equity Interests trade or transfer its Existing Equity Interests after it elects to receive New Common Equity under the Plan?

No. A Holder of Existing Equity Interests **will not be able to trade or transfer its Existing Preferred Equity Interests and/or Existing Common Equity Interests after it elects to receive New Common Equity pursuant to the Plan**. The Debtors will seek to freeze any movement of such Holder's Existing Preferred Equity Interest and/or Existing Common Equity Interests between the transfer agent and the DTC contemporaneously with the Holder's election. Once a Holder makes its election to receive its distribution in New Common Equity, that election will be **irrevocable**. Holders of Existing Equity that are Eligible Election Participants must review the Plan and Solicitation Package documents carefully and are encourage to consult with an attorney or financial advisor if desired.

J. What happens to my recovery if the Plan is not confirmed or does not go effective?

There is no assurance that the Debtors will be able to reorganize their businesses if the Plan is not confirmed or does not go effective. It is possible that any alternative transaction may provide Holders of Claims and Interests with less than they would have received pursuant to the Plan. A more detailed description of the consequences of an extended chapter 11 case or of a liquidation scenario is Article IX.C. of this Disclosure Statement entitled "Best Interests of Creditors/Liquidation Analysis," and the Liquidation Analysis attached hereto as **Exhibit D**.

K. If the Plan provides that I get a distribution, do I get it upon Confirmation or when the Plan goes effective, and what is meant by "Confirmation," "Effective Date," and "Consummation?"

"Confirmation" of the Plan refers to Court's approval of the Plan. Confirmation of the Plan does not guarantee that you will receive the distribution indicated under the Plan. After the Bankruptcy Court confirms the Plan, there are conditions that need to be satisfied or waived so that the Plan can go effective. Unless otherwise provided under the Plan, distributions to Holders of Allowed Claims and Interests will only be made on the date the Plan becomes effective—*i.e.*, the "Effective Date"—or as soon as reasonably practicable thereafter, as specified in the Plan. See Article IX of this Disclosure Statement entitled "Confirmation of the Plan" for a discussion of the conditions precedent to Consummation of the Plan.

L. Is there potential litigation related to the Plan?

Parties in interest may object to the approval of this Disclosure Statement and may object to Confirmation of the Plan as well, which objections potentially could give rise to litigation. *See* Article X.C.7 of this Disclosure Statement entitled "The Reorganized Debtors May Be Adversely Affected by Potential Litigation, Including Litigation Arising Out of the Chapter 11 Cases" for further discussion on this issue.

M. Are there risks to owning the New Common Equity upon emergence from Chapter 11?

Yes. *See* Article X of this Disclosure Statement entitled "Risk Factors." The ownership percentage represented by the Reorganized WPG to be distributed on the Effective Date under the Plan will be subject to dilution from the Management Incentive Plan or other securities that may be issued post-emergence. Additionally, as discussed herein and in the Plan, Reorganized WPG will be subject to the New Governance Documents, which are forthcoming at this time.

N. Will there be releases and exculpation granted to parties in interest as part of the Plan?

Yes. The Plan proposes that the Releasing Parties will provide releases the Released Parties. "Releasing Parties" are, collectively, and in each case in its capacity as such: (a) each of the Debtors; (b) each of the Reorganized Debtors; (c) each of the Company Parties; (d) each of the Consenting Stakeholders; (e) the 2015 Lenders; (f) the 2018 Lenders; (g) the Weberstown Lenders; (h) the Unsecured Noteholders; (i) the *Ad Hoc* Lender Group, and each member thereof; (j) the Plan Sponsor; (k) the DIP Lenders; (l) the DIP Agent; (m) the Exit Facility Lenders (n) the Agents/Trustees; (o) each Backstop Party; (p) each Equity Rights Offering Participant; (q) each Holder of a Claim; (r) each Holder of an Interest; (s) each current and former Affiliate of each Entity in clause (a) through the following clause (t); and (t) each Related Party of each Entity in clause (a) through this clause (t); *provided* that an Entity shall not be a Releasing Party if, in the cases of clauses (q) through (w) and each current and former Affiliates thereof, if such Entity: (1) elects to opt out of the releases contained in the Plan; or (2) timely files with the Bankruptcy Court on the docket of the Chapter 11 Cases an objection to the releases contained in the Plan that is not resolved before Confirmation.

"Released Parties" are, collectively, and in each case in its capacity as such: (a) each of the Debtors; (b) each of the Reorganized Debtors; (c) each of the Company Parties; (d) each of the Consenting Stakeholders; (e) the 2015 Lenders; (f) the 2018 Lenders; (g) the Weberstown Lenders; (h) the Unsecured Noteholders; (i) the *Ad Hoc* Lender Group, and each member thereof; (j) the Plan Sponsor; (k) the DIP Lenders; (l) the DIP Agent; (m) the Exit Facility Lenders (n) the Agents/Trustees; (o) each Backstop Party; (p) each Equity Rights Offering Participant; (q) each current and former Affiliate of each Entity in clause (a) through the following clause (r); and (r) with respect to each of the foregoing Entities in clauses (a) through this clause (r), each Related Party of each Entity; *provided* that in each case, an Entity shall not be a Released Party if it: (1) elects to opt out of the releases contained in the Plan; or (2) timely files with the Bankruptcy Court on the docket of the Chapter 11 Cases an objection to the releases contained in the Plan that is not resolved before Confirmation.

The Plan provides an exculpation for the Exculpated Parties, which are collectively, and in each case in its capacity as such: (a) each of the Debtors; (b) each of the Reorganized Debtors; (c) each of the Consenting Stakeholders; (d) each of the Consenting 2015 Lenders; (e) each of the Consenting 2018 Lenders; (f) each of the Consenting Weberstown Lenders; (g) each of the Consenting Unsecured Noteholders; (h) the Ad Hoc Lender Group, and each member thereof; (i) the Plan Sponsor; (j) each of the Agents/Trustees; (k) the DIP Agent; (l) each of the DIP Lenders; (m) each Backstop Party; (n) each Equity Rights Offering Participant; (o) each current and former Affiliate of each Entity in clause (a) through the following clause (p); and (p) each Related Party of each Entity in clause (a) through this clause (p).

The Debtors' releases, third-party releases, and exculpation provisions included in the Plan are an integral part of the Debtors' overall restructuring efforts and were an essential element of the negotiations among the Debtors and the other parties to the Restructuring Support Agreement in obtaining their support for the Plan pursuant to the terms of the Restructuring Support Agreement. These provisions comply with the Bankruptcy Code and prevailing law because, among other reasons, they are the product of extensive good faith, arm's-length negotiations, were material inducements for the Consenting Stakeholders to enter into the Restructuring Support Agreement and the comprehensive settlement embodied in the Plan. Such provisions have support from the Debtors and the Consenting Stakeholders.

IMPORTANTLY, ALL HOLDERS OF IMPAIRED CLAIMS OR INTERESTS WHO VOTED TO ACCEPT THE PLAN, ABSTAINED FROM VOTING ON THE PLAN, OR VOTED TO REJECT THE PLAN BUT DID NOT TIMELY OPT OUT OF OR OBJECT TO THE APPLICABLE RELEASE PROVIDED IN THE PLAN AS WELL AS ALL HOLDERS OF UNIMPAIRED CLAIMS WHO DID NOT TIMELY OPT OUT OF OR OBJECT TO THE APPLICABLE RELEASE ARE "RELEASING PARTIES" UNDER THE PLAN.

ALL HOLDERS OF CLAIMS OR INTERESTS THAT DO NOT VALIDLY OPT OUT OR FILE AN OBJECTION WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES THAT EXPRESSLY OBJECTS TO THE INCLUSION OF SUCH HOLDER AS A RELEASING PARTY UNDER THE PROVISIONS CONTAINED IN ARTICLE VIII OF THE PLAN WILL BE DEEMED TO HAVE EXPRESSLY, UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND COLLECTIVELY CONSENTED TO THE RELEASE AND DISCHARGE OF ALL CLAIMS AND CAUSES OF ACTION AGAINST THE DEBTORS AND THE RELEASED PARTIES. THE RELEASES ARE AN INTEGRAL ELEMENT OF THE PLAN.

An excerpt of the releases and exculpation provisions in the Plan are set forth below:

1. Debtor Release Provision

Effective as of the Effective Date, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, including the service of the Released Parties in facilitating the expeditious reorganization of the Debtors and implementation of the restructuring contemplated by the Plan, the adequacy of which is hereby confirmed, on and after the Effective Date, to the fullest extent allowed by applicable law, each Released Party is hereby deemed conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by each and all of the Debtors, their Estates, and the Reorganized Debtors, in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any claim or Cause of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of any of the Debtors, their Estates, or the Reorganized Debtors, as applicable, whether known or unknown, foreseen or unforeseen, matured or unmatured, liquidated or unliquidated, fixed or contingent, accrued or unaccrued, existing or hereafter arising, in law (or any applicable rule, statute, regulation, treaty, right, duty or requirement), equity, contract, tort or otherwise, including any derivative claims, that the Debtors, their Estates, or the Reorganized Debtors, or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim against, or Interest in, a Debtor or other Entity, or that any Holder of any Claim against, or Interest in, a Debtor or other Entity could have asserted on behalf of the Debtors, based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership, or operation thereof), the purchase, sale, amendment, or rescission of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the 2015 Credit Facility, the 2018 Credit Facility, the Weberstown Term Loan Facility, the 2020 Amendments, the Unsecured Notes, the Chapter 11 Cases, any Avoidance Action, the Restructuring Support Agreement, the formulation, preparation, dissemination, negotiation, entry into, or Filing of, as applicable, the Restructuring Support Agreement, the Disclosure Statement, the DIP Facility, the DIP Facility Documents, the Exit Facilities, the Exit Facility Documents, the New Governance Documents, the Equitization Restructuring, the Toggle Restructuring, the Plan (including, for the avoidance of doubt, the Plan Supplement), the Bidding Procedures, the Equity Rights Offering, the Backstop Commitment Agreement, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the foregoing (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion), the New Common Equity,

the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act, or omission, transaction, agreement, event, or other occurrence related or relating to any of the foregoing taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (1) any obligations arising on or after the Effective Date of any party or Entity under the Plan, the Confirmation Order, the Exit Facility Documents, the Equity Rights Offering, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, including the assumption of the Indemnification Provisions as set forth in the Plan or (2) any retained Causes of Action.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that the Debtor release is: (a) in exchange for the good and valuable consideration provided by the Released Parties, including, without limitation, the Released Parties' contributions to facilitating the Restructuring Transactions (including the Equitization Restructuring or the Toggle Restructuring) and implementing the Plan; (b) a good faith settlement and compromise of the Claims released by the Debtor Release; (c) in the best interests of the Debtors and all holders of Claims and Interests; (d) fair, equitable, and reasonable; (e) given and made after due notice and opportunity for hearing; and (f) a bar to any of the Debtors, the Reorganized Debtors, or the Debtors' Estates asserting any Claim or Cause of Action released pursuant to the Debtor Release.

2. Third-Party Release Provision

Effective as of the Effective Date, in exchange for good and valuable consideration, including the obligations of the Debtors under the Plan and the contributions of the Released Parties in facilitating the expeditious reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, the adequacy of which is hereby confirmed, to the fullest extent permissible under application law, as such law may be extended or integrated after the Effective Date, on and after the Effective Date each of the Releasing Parties shall be deemed to have to have conclusively, absolutely, unconditionally, irrevocably, and forever, released and discharged each of the Released Parties from any and all claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities, whatsoever, whether known or unknown, foreseen or unforeseen, matured or unmatured, liquidated or unliquidated, fixed or contingent, accrued or unaccrued, existing or hereafter arising, in law (or any applicable rule, statute, regulation, treaty, right, duty, or requirement), equity, contract, tort, or otherwise, including any derivative claims, asserted or assertable on behalf of any of the Debtors, their Estates, or the Reorganized Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership or operation thereof), the purchase, sale, amendment, or rescission of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the assertion or enforcement of rights and remedies against the Debtors, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the 2015 Credit Facility, the 2018 Credit Facility, the Weberstown Term Loan Facility, the 2020 Amendments, the Unsecured Notes, the Chapter 11 Cases, any Avoidance Action, the Restructuring Support Agreement, the formulation, preparation, dissemination, negotiation, entry into, or filing of, as applicable, the Restructuring Support Agreement, the Disclosure Statement, the DIP Facility, the DIP Documents, the Exit Facilities, the Exit Facility Documents, New Common Equity, the Bidding

Procedures, the Equity Rights Offering, the Backstop Commitment Agreement, the New Governance Documents, the Plan (including, for the avoidance of doubt, the Plan Supplement), the Equitization Restructuring, the Toggle Restructuring, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the foregoing (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion), the New Common Equity, the Filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act, or omission, transaction, agreement, event, or other occurrence related or relating to any of the foregoing taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any obligations arising on or after the Effective Date of any party or Entity under the Plan, the Confirmation Order, the Exit Facility Documents, the Equity Rights Offering, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, including the assumption of the Indemnification Provisions as set forth in the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained in the Plan, and, further, shall constitute the Bankruptcy Court's finding that the Third-Party Release is: (a) consensual; (b) essential to the Confirmation of the Plan; (c) given in exchange for the good and valuable consideration provided by the Released Parties, including, without limitation, the Released Parties' contributions to facilitating the Restructuring Transactions (including the Equitization Restructuring or Toggle Restructuring), and implementing the Plan; (d) a good faith settlement and compromise of the Claims released by the Third-Party Release; (e) in the best interests of the Debtors and their Estates; (f) fair, equitable, and reasonable; (g) given and made after due notice and opportunity for hearing; and (h) a bar to any of the Releasing Parties asserting any Claim or Cause of Action released pursuant to the Third-Party Release.

3. Exculpation Provision

Effective as of the Effective Date, to the fullest extent permissible under applicable law and without affecting or limiting either the Debtor Release or the Third-Party Release, and except as otherwise specifically provided in the Plan or the Confirmation Order, no Exculpated Party shall have or incur liability for, and each Exculpated Party is released and exculpated from any Cause of Action for any claim related to any act or omission in connection with, relating to, or arising out of, the formulation, preparation, dissemination, negotiation, entry into, or filing of, as applicable, the Chapter 11 Cases, the Disclosure Statement, the Exit Facility Documents, the DIP Documents, the New Governance Documents, Restructuring Support Agreement, the Equitization Restructuring, the Toggle Restructuring, the Plan, the Disclosure Statement, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into before or during the Chapter 11 Cases, any preference, fraudulent transfer, or other avoidance claim arising pursuant to chapter 5 of the Bankruptcy Code or other applicable law, in connection with the Disclosure Statement or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the Equity Rights Offering, the Backstop Commitment Agreement, the New Common Equity, the administration and implementation of the Plan, including the issuance of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated

by the Plan or the reliance by any Exculpated Party on the Plan or the Confirmation Order in lieu of such legal opinion), except for claims related to any act or omission that is determined in a Final Order by a court of competent jurisdiction to have constituted actual fraud, willful misconduct, or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon Confirmation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of votes and distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

Notwithstanding anything to the contrary in the foregoing, the exculpation set forth above does not release or exculpate any Claim relating to any post-Effective Date obligations of any party or Entity under the Plan, the Equitization Restructuring, the Toggle Restructuring, the Exit Facilities, or any document, instrument, or agreement (including the Restructuring Documents, and other documents, instruments and agreements set forth in the Plan Supplement) executed to implement the Plan.

O. Does the Plan contain any injunctions?

Yes. Article VIII.G. of the Plan sets forth the below injunction provision:

Effective as of the Effective Date, pursuant to section 524(a) of the Bankruptcy Code, to the fullest extent permissible under applicable law, and except as otherwise expressly provided in the Plan or the Confirmation Order, for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Entities that have held, hold, or may hold claims or interests that have been released, discharged, or are subject to exculpation are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Reorganized Debtors, the Exculpated Parties, or the Released Parties: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such claims or interests; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such claims or interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such claims or interests unless such Holder has filed a motion requesting the right to perform such setoff on or before the Effective Date, and notwithstanding an indication of a claim or interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests released or settled pursuant to the Plan.

Upon entry of the Confirmation Order, all holders of Claims and Interests and their respective current and former employees, agents, officers, directors, principals, and direct and indirect Affiliates shall be enjoined from taking any actions to interfere with the implementation or Consummation of the Plan. Except as otherwise set forth in the Confirmation Order, each holder of an Allowed Claim or Allowed Interest, as applicable, by accepting, or being eligible to accept, distributions under or Reinstatement of such Claim or Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in this Article VIII. Error! Reference source not found.**.**

P. Who supports the Plan?

Holders of at least 74.5% of the aggregate principal amount of the 2018 Credit Facility Claims, Holders of at least 62% of the aggregate principal amount of the 2015 Credit Facility Claims, Holders of 100% of the aggregate principal amount of the Weberstown Term Loan Facility Claims, and Holders of at least 66.67% of the aggregate principal amount of the Unsecured Notes Claims support and are required to vote in favor of the Plan. The Debtors believe that the Plan represents a significant step in the Debtors' months-long restructuring process. The Restructuring Support Agreement will allow the Debtors to proceed expeditiously through chapter 11 to a successful emergence while balancing the need to market test the transaction to ensure that stakeholder recoveries are maximized. If the transaction contemplated in the Plan or an Acceptable Alternative Restructuring is pursued, the Plan will significantly deleverage the Debtors' balance sheet and provide the capital injection needed for the Debtors to conduct competitive operations going forward.

IV. THE DEBTORS' PLAN OF REORGANIZATION

This section provides a summary of the structure and means for implementation of the Plan and the classification and is qualified in its entirety by reference to the Plan. The statements contained in this Disclosure Statement include summaries of the provisions in the Plan and the documents referred to therein. Such statements do not purport to be precise or complete statements of all the terms and provisions of the Plan or documents referred to therein, and reference is made to the Plan and to such documents for the full and complete statement of such terms and provisions of the Plan or documents referred to therein.

The Equitization Restructuring will be implemented unless an Alternative Restructuring Proposal is obtained. If the Debtors receive an Alternative Restructuring Proposal during the bidding process, the Toggle Restructuring will be implemented. The Toggle Restructuring will only be implemented if it provides holders of Existing Equity Interests with a greater aggregate recovery than what it is provided for under the Equitization Restructuring.

A. Equitization Restructuring

If the Equitization Restructuring occurs, the following provisions shall govern.

1. Sources of Consideration for Plan Distributions

The Debtors shall fund distributions under the Plan pursuant to the Equitization Restructuring, as applicable, with (1) the issuance of the New Common Equity; (2) the proceeds of the Equity Rights Offering; (3) the issuance of or borrowings under the New Term Loan Exit Facility and the New Revolving Exit Facility; and (4) Cash on hand. Each distribution and issuance referred to in Article VI of the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments or other documents evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

Prior to the Effective Date, the Debtors may seek to obtain, and, on the Effective Date may, with the consent of the Plan Sponsor, enter into (i) an Alternative Exit Facility in an amount sufficient to satisfy in full, in Cash, all Allowed Revolving and Term Loan Facilities Claims and all Allowed Weberstown Term Loan Facility Claims (in each case, including Claims for postpetition interest at the applicable default rates), rather than enter into the New Term Loan Exit Facility, and, if necessary, the New Revolving Exit Facility for an aggregate principal amount not to exceed $50 million, in each case, on terms and conditions consistent with the Restructuring Support Agreement.

Notwithstanding the foregoing, to the extent that the Debtors have either (i) not obtained a binding commitment for an Alternative Exit Facility, and/or (ii) not irrevocably elected, via written notice to counsel to the Ad Hoc Lender Group and by filing with the Bankruptcy Court, to utilize such Alternative Exit Facility in lieu of the New Term Loan Exit Facility, in each case, prior to the Confirmation Date, then the Debtors shall either (a) issue the New Term Loan Exit Facility in accordance with the Plan or (b) upon the joint election of the Debtors and the Plan Sponsor obtain and utilize an Alternative Exit Facility following the Confirmation Date, and be deemed to issue the New Term Loan Exit Facility in accordance with the Plan and immediately refinance the New Term Loan Exit Facility in accordance with its terms, including in respect of any prepayment premiums.

After the Effective Date, the Reorganized Debtors will be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable the Reorganized Debtors to satisfy their obligations under the Plan. Except as set forth herein, any changes in intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the Debtors' historical intercompany account settlement practices and will not violate the terms of the Plan.

(a) New Common Equity

The Confirmation Order shall authorize the issuance of the New Common Equity in one or more issuances without the need for any further corporate action, and the Debtors or Reorganized Debtors, as applicable, are authorized to take any action necessary or appropriate in furtherance thereof. On the Effective Date or as soon as reasonably practicable thereafter, applicable Holders of Claims or Interests shall receive shares or units of the New Common Equity in exchange for their Claims or Interests pursuant to Article III.B.

All of the shares or units of New Common Equity issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessed. Each distribution and issuance of the New Common Equity under the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance. Any party that is to receive New Common Equity shall be a party to the New Shareholders Agreement and deemed to be bound to the terms of the new Stockholders Agreement from and after the Effective Date, even if not a signatory thereto.

The Reorganized Debtors do not intend to obtain a stock exchange listing for the New Common Equity pursuant to the Equitization Restructuring, and Reorganized WPG shall not be subject to any reporting requirements promulgated by the SEC. However, should the Reorganized Debtors elect on or after the Effective Date for the New Common Equity to be publicly traded, the Reorganized Debtors will use commercially reasonable efforts to obtain a listing for the New Common Equity on a recognized U.S. stock exchange on or as promptly as reasonably practicable after the date on which such New Common Equity is issued. In the event the New Common Equity is listed on a recognized U.S. stock exchange, recipients accepting distributions of New Common Equity shall be deemed to have agreed to cooperate with the Reorganized Debtors' reasonable requests to assist in its efforts to list the New Common Equity on a recognized U.S. stock exchange

(b) Equity Rights Offering

Pursuant to the Equity Rights Offering Procedures, the Reorganized Debtors will offer and sell New Common Equity at an aggregate purchase price equal to the sum of (i) $190,000,000, *plus* (ii) the amount required to pay DIP Claims in Cash in full, *plus* (iii) the amount required to fund emergence cash flows, *plus* (iv) the amount required to fund Cash payments to Allowed Existing Equity Interests, which in

the aggregate shall not exceed the Total Backstop Commitment. Equity Rights Offering Participants shall have the right to purchase their allocated shares of New Common Equity at the Equity Rights Offering Value, as set forth in the Backstop Commitment Agreement and the Equity Rights Offering Procedures. Fifty percent (50%) of the Equity Rights shall be reserved for the Backstop Parties pursuant to the Backstop Commitment Agreement, and the remainder shall be made available to each Eligible Holder of Allowed Unsecured Notes Claims (including the Backstop Parties) on a Pro Rata basis based on the value of each such Holder's Allowed Unsecured Notes Claims. For the avoidance of doubt, the Backstop Equity Premium, shall not dilute the New Common Equity issued in the Equity Rights Offering.

On July 14, 2021 (the "Subscription Commencement Date"), the Debtors shall distribute the Equity Rights to the holders of Unsecured Notes Claims and the Backstop Parties in accordance with the Equity Rights Offering Procedures. Each holder of an Unsecured Notes Claim that is an "accredited investor" (as defined in Rule 501(a) promulgated under the Securities Act) shall be permitted to participate in the Equity Rights Offering in accordance with the Equity Rights Offering Procedures. The Equity Rights remain attached to the Unsecured Notes and are exercised when the Equity Rights Offering Participant (among other things) tenders such Unsecured Notes into DTC's ATOP platform by August 5, 2021 at 4:00 p.m. (prevailing Central Time) (the "Subscription Tender Deadline") and submits a valid Subscription Form, and remits the corresponding aggregate purchase price by August 6, 2021.

Upon exercise of the Equity Rights by the Equity Rights Offering Participants pursuant to the terms of the Backstop Commitment Agreement and the Equity Rights Offering Procedures, Reorganized WPG shall be authorized to issue the New Common Equity issuable pursuant to such exercise.

In exchange for the Backstop Equity Premium and in accordance with the Backstop Commitment Agreement, the Backstop Parties have committed to severally, and not jointly, fully backstop the Equity Rights Offering. Pursuant to the Backstop Commitment Agreement and the Backstop Commitment Allocations contained therein, the Backstop Parties shall purchase the New Common Equity not subscribed for purchase by the holders of Unsecured Noteholder Rights at the Equity Rights Offering Value as set forth in the Backstop Commitment Agreement and exercise their allotted Backstop Party Rights. As consideration for the Backstop Commitments and the other undertakings of the Backstop Parties in the Backstop Commitment Agreement, the Reorganized Debtors will pay the Backstop Equity Premium to the Backstop Parties on the Effective Date with respect to an Equitization Restructuring in the form of shares of New Common Equity at the Equity Rights Offering Value.

All shares of the New Common Equity and the Equity Rights (including any New Common Equity issuable upon the exercise thereof) will be issued in reliance upon Section 1145 of the Bankruptcy Code to the extent permitted under applicable law (the "1145 Securities").

The shares of New Common Equity and Equity Rights for which the issuance under Section 1145(a) of the Bankruptcy Code is unavailable, including upon exercise of any Equity Rights, will be issued in reliance upon Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder (the "4(a)(2) Securities").

Entry of the Confirmation Order shall constitute Bankruptcy Court approval of the Equity Rights Offering (including the transactions contemplated thereby, and all actions to be undertaken, undertakings to be made, and obligations to be incurred by Reorganized WPG in connection therewith). On the Effective Date, the rights and obligations of the Debtors under the Backstop Commitment Agreement shall vest in the Reorganized Debtors, as applicable.

The Cash proceeds of the Equity Rights Offering shall be used by the Debtors or Reorganized Debtors, as applicable, to (i) pay the DIP Facility Claims, (ii) make distributions pursuant to the Plan, (iii) fund working capital, and (iv) fund general corporate purposes.

(c) New Term Loan Exit Facility and the New Revolving Exit Facility

Prior to the Effective Date, the Debtors shall document and implement the New Term Loan Exit Facility on terms and conditions consistent with the New Term Loan Exit Facility Term Sheet and the Restructuring Support Agreement; *provided* that the Debtors, subject to the consent of the Plan Sponsor, may instead secure commitments to an Alternative Exit Facility to be implemented pursuant to the terms and conditions set forth in the Restructuring Support Agreement. Additionally, the Debtors may pursue commitments in respect of a New Revolving Exit Facility, the material terms of which, if applicable, shall be set forth in the New Revolving Exit Facility Term Sheet. On the Effective Date, the Reorganized Debtors shall enter into the New Term Loan Exit Facility (or the Alternative Exit Facility), and, if applicable, the New Revolving Exit Facility (the terms of which shall be set forth in the Exit Facility Documents).

Confirmation of the Plan shall be deemed approval of (a) the New Term Loan Exit Facility, the New Revolving Exit Facility, and the Exit Facility Documents, as applicable, and (b) all transactions contemplated thereby, and all actions to be taken and undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, indemnities, expenses, and other payments provided for therein and authorization of the Reorganized Debtors to enter into and execute the Exit Facility Documents, and such other documents as may be required to effectuate the treatment afforded by the New Term Loan Exit Facility or the New Revolving Exit Facility, as applicable.

On the Effective Date, all of the Liens and security interests to be granted in accordance with the Exit Facility Documents, as applicable, (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Exit Facility Documents, (c) shall be deemed automatically perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Exit Facility Documents, as applicable, and (d) shall not be subject to avoidance, recharacterization, or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law.

The Reorganized Debtors and the persons and entities granted such Liens and security interests shall be authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties..

(d) Equity Option

In lieu of potentially receiving its Pro Rata Share of Cash from the applicable Equity Cash Pool, each Eligible Election Participant shall have the opportunity to irrevocably elect to receive its distribution in New Common Equity (subject to the limitations of the Equity Option) in lieu of such Holder's Cash distribution. The New Common Equity distributed on account of the applicable Equity Option shall reduce either the Preferred Equity Cash Pool, or Common Equity Cash Pool, as applicable, on a ratable basis, by the Pro Rata percentage of Allowed Existing Equity Interests in the applicable Class electing the applicable Equity Option. Eligible Election Participants in Classes 10 and 11 shall have the opportunity to make such election pursuant to the Equity Option Procedures. In order for such Eligible Election Participant's election of the Equity Option to be valid, the Eligible Election Participant must either cause its Existing Preferred Equity Interests and/or Existing Common Equity Interests to be tendered into DTC's ATOP or, if such

equity interests are held outside DTC, provide the Solicitation Agent a completed Equity Option Form no later than the Equity Option Election Deadline, if applicable.

Each Holder of Allowed Existing Equity Interests that elects the respective Equity Option shall be required to hold its New Common Equity through DTC. As a condition to receive New Common Equity, each such Holder of Allowed Existing Equity Interests shall be required to provide the Company with instructions as to DTC delivery, including the name and DTC participant number of its custodian for the shares of New Common Equity and its account name and number of the custodian.

As soon as reasonably practicable, but in any event, no later than seven (7) Business Days after the Equity Option Election Deadline, as specified in the Equity Option Procedures, the Debtors shall provide the Plan Sponsor with a report showing the aggregate amount of Holders of Existing Equity Interests that elected to participate in the Equity Option.

2. Management Incentive Plan

On the Effective Date, the Reorganized Debtors shall adopt a management incentive plan (the "Management Incentive Plan"). All grants under the Management Incentive Plan shall ratably dilute all New Common Equity issued pursuant to the Plan, including any New Common Equity issued pursuant to the Equity Rights Offering and the Backstop Commitment Agreement.

The Management Incentive Plan will (a) reserve exclusively for participants in the Management Incentive Plan a pool of equity interests of Reorganized WPG (or another entity designated pursuant to the Plan to issue equity interests on the Effective Date) of 8.0% of New Common Equity, on a fully diluted basis, which may take the form of awards of equity, options, restricted stock units, or other equity instruments, determined on a fully diluted and fully distributed basis, (b) grant 50% of such equity pool no later than 90 days following the Effective Date, with the remainder of such equity pool to be available for future grants to participants in the Management Incentive Plan. terms of the Management Incentive Plan shall be determined at the sole discretion of the New Board (including the amount of allocations and the timing of the grant of the options and other equity-based compensation), and the Terms and conditions of such options and other equity-based compensation (including vesting, exercise prices, base values, hurdles, forfeiture, repurchase rights and transferability) shall be determined by the New Board.

3. Employee Obligations

Reorganized WPG shall assume all five (5) publicly filed management employment agreements (the "Employment Agreements") pursuant to the Plan and employ the named executives party thereto in their current positions upon emergence; *provided*, that (a) consummation of the Plan shall constitute a "Change in Control" under each Employment Agreement; (b) "Good Reason" (or a term of like import) under the Employment Agreements will not be triggered solely as a result of (i) the issuance or acquisition of equity pursuant to the Plan or (ii) the cancellation and treatment of equity and/or equity-based compensation pursuant to the consummated Plan; and (c) the severance multiple under each Employment Agreement shall be increased from a multiple of two (2) to a multiple of three (3) times base salary plus target bonus under each Employment Agreement (the other severance terms shall remain unchanged); *provided, further*, that the cancellation/treatment of equity and/or equity-based compensation pursuant to the consummated Plan shall constitute "Good Reason" if the New Board does not allocate 50% of the MIP Pool within 90 days of the effective date of the Plan.

For the avoidance of doubt, it is acknowledged that, (a) any incentive or retention payments provided for under the Employment Agreements for the 2021 calendar year were superseded by the 2021 executive compensation programs, (b) any incentive or retention payments under the Employment Agreements for periods after the 2021 calendar year are not superseded by such 2021 executive

compensation programs, and (c) each executive's target bonus for purposes of the severance calculation (but not the pro rata target bonus for 2021) in the executive's Employment Agreement is unaffected by such 2021 executive compensation programs.

4. Exemption from Registration Requirements

All 1145 Securities will be issued in reliance upon section 1145 of the Bankruptcy Code to the extent permitted under applicable law. All 4(a)(2) Securities will be issued in reliance upon section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder, and will be considered "restricted securities" and may not be transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom.

Pursuant to section 1145 of the Bankruptcy Code, the offering, issuance, and distribution of the 1145 Securities shall be exempt from, among other things, the registration and prospectus delivery requirements of section 5 of the Securities Act and any other applicable federal, state, local or other law requiring registration prior to the offering, issuance, distribution, or sale of Securities. Each of the 1145 Securities, (a) will not be "restricted securities" as defined in rule 144(a)(3) under the Securities Act and (b) will be freely tradable and transferable in the United States by each recipient thereof that (i) is an entity that is not an "underwriter" as defined in section 1145(b)(1) of the Bankruptcy Code, (ii) is not an "affiliate" of the Debtors as defined in Rule 144(a)(1) under the Securities Act, (iii) has not been such an "affiliate" within 90 days of the time of the transfer, and (iv) has not acquired such securities from an "affiliate" within one year of the time of transfer. Notwithstanding the foregoing, the 1145 Securities remain subject to compliance with applicable securities laws and any rules and regulations of the SEC, if any, applicable at the time of any future transfer of such Securities and subject to any restrictions in the New Governance Documents. The availability of the exemption under section 1145 of the Bankruptcy Code or any other applicable securities laws shall not be a condition to the occurrence of the Effective Date.

To the extent issuance under section 1145(a) of the Bankruptcy Code is unavailable, such Securities or the 4(a)(2) Securities will be issued without registration under the Securities Act in reliance upon the exemption set forth in section 4(a)(2) of the Securities Act, Regulation D and/or Regulation S, and similar registration exemptions applicable outside of the United States. Any securities issued in reliance on section 4(a)(2), including in compliance with Rule 506 of Regulation D, and/or Regulation S, will be "restricted securities" subject to resale restrictions and may be resold, exchanged, assigned or otherwise transferred only pursuant to registration, or an applicable exemption from registration under the Securities Act and other applicable law and subject to any restrictions in the New Governance Documents or regulatory restrictions.

The availability of the exemption under section 1145 of the Bankruptcy Code or any other applicable securities laws shall not be a condition to the occurrence of the Effective Date.

The Debtors recommend that potential recipients of Securities issued under the Plan consult their own counsel concerning their ability to freely trade such Securities in compliance with the federal securities laws and any applicable "Blue Sky" laws. The Debtors make no representation concerning the ability of a person to dispose of such Securities.

Should the Reorganized Debtors elect on or after the Effective Date to reflect any ownership of the Securities to be issued under the Plan through the facilities of DTC, the Reorganized Debtors need not provide any further evidence other than the Plan or the Confirmation Order with respect to the treatment of the Securities to be issued under the Plan under applicable securities laws. DTC shall be required to accept and conclusively rely upon the Plan and Confirmation Order in lieu of a legal opinion regarding whether the Securities to be issued under the Plan are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services. Notwithstanding anything to the contrary in the Plan, no

Entity (including, for the avoidance of doubt, DTC) may require a legal opinion regarding the validity of any transaction contemplated by the Plan, including, for the avoidance of doubt, whether the Securities to be issued under the Plan are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services.

B. Toggle Restructuring

If the Toggle Restructuring occurs, the following provisions shall govern.

1. Sources of Consideration for Plan Distributions

The Debtors shall fund distributions under the Plan pursuant to the Toggle Restructuring with, as applicable: (a) the issuance of the New Common Equity; (b) the issuance of or borrowings under any exit facility; (c) any other securities or issuances pursuant to the Toggle Restructuring; (d) Cash or non-Cash consideration received from any sponsor of or other investor in the Debtors pursuant to the Toggle Restructuring; and (e) Cash on hand after the satisfaction of the (i) Administrative Claims, (ii) DIP Claims, (iii) 2015 Credit Facility Claims, (iv) 2018 Credit Facility Claims, (v) Weberstown Term Loan Facility Claims, (vi) Unsecured Notes Claims (in each case, including, postpetition interest at the default contract rate, where applicable), (vii) General Unsecured Claims, and (viii) the Backstop Base Premium. Each distribution and issuance referred to in Article VI of the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments or other documents evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

After the Effective Date, the Reorganized Debtors will be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable the Reorganized Debtors to satisfy their obligations under the Plan pursuant to the Toggle Restructuring. Except as set forth herein, any changes in intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the Debtors' historical intercompany account settlement practices and will not violate the terms of the Plan.

2. New Common Equity

The Confirmation Order shall authorize the issuance of the New Common Equity in one or more issuances without the need for any further corporate action, and the Debtors or Reorganized Debtors, as applicable, are authorized to take any action necessary or appropriate in furtherance thereof. By the Effective Date, applicable Holders of Claims or Interests shall receive shares or units of the New Common Equity in exchange for their Claims or Interests pursuant to Article III.B.

All of the shares or units of New Common Equity issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessed. Each distribution and issuance of the New Common Equity under the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

The Reorganized Debtors do not intend to obtain a stock exchange listing for the New Common Equity pursuant to the Toggle Restructuring, and if so, Reorganized WPG is not expected to be subject to any reporting requirements promulgated by the SEC. Should the Reorganized Debtors, however, elect on or after the Effective Date for the New Common Equity to be publicly traded, the Reorganized Debtors will use commercially reasonable efforts to obtain a listing for the New Common Equity on a recognized U.S. stock exchange on or as promptly as reasonably practicable after the date on which such New Common

Equity is issued. In the event the New Common Equity is listed on a recognized U.S. stock exchange, recipients accepting distributions of New Common Equity shall be deemed to have agreed to cooperate with the Reorganized Debtors' reasonable requests to assist in its efforts to list the New Common Equity on a recognized U.S. stock exchange.

C. Directors and Officers

Pursuant to section 1129(a)(5) of the Bankruptcy Code, to the extent known, the Debtors will disclose at or prior to the Confirmation Hearing the identity and affiliations of any Person proposed to serve on the New Board. If the Equitization Restructuring occurs, the The New Board shall be selected by the Plan Sponsor and shall include the chief executive officer of Reorganized WPG.

On the Effective Date, the terms of the current members of WPG Inc.'s board of directors shall expire, and the New Board will include those directors set forth in the list of directors of Reorganized WPG included in the Plan Supplement. By the Effective Date, the officers and overall management structure of WPG Inc., and all officers and management decisions with respect to WPG Inc. (and/or any of its direct or indirect subsidiaries), compensation arrangements, and affiliate transactions shall only be subject to the approval of the New Board.

By and after the Effective Date, each director, officer, or manager of the Reorganized Debtors shall be appointed and serve pursuant to the terms of their respective charters and bylaws or other formation and constituent documents and the New Governance Documents, and applicable laws of the respective Reorganized Debtor's jurisdiction of formation. To the extent that any such director or officer of the Reorganized Debtors is an "insider" pursuant to section 101(31) of the Bankruptcy Code, the Debtors will disclose the nature of any compensation to be paid to such director or officer.

V. SOLICITATION AND VOTING PROCEDURES

Holders of Claims and Interests in Classes entitled to vote the Plan are receiving this Disclosure Statement as part of a solicitation package (the "Solicitation Package") that includes the (A) applicable ballot(s) to vote to accept or reject the Plan, which has a section to opt out of the releases in the Plan, (B) the solicitation procedures (the "Solicitation Procedures"), and (C) a notice of the Confirmation Hearing. In addition to the aforementioned, Holders of Claims in Class 5 will also have a subscription form and procedures included in their solicitation package in connection with the Equity Rights Offering. All Holders of Claims and Interests are encouraged to read the Solicitation Procedures and Equity Rights Offering Procedures, if applicable, carefully and in full and return their ballots and subscription form, if applicable, to the Solicitation Agent prior to the Voting Deadline.

The Solicitation Package (except the Ballots) may also be obtained from the Solicitation Agent by (a) calling (877) 329-1913 (toll free) or (347) 919-5772 (local/international), (b) electronic mail at washingtonprimeBallots@primeclerk.com (reference "Washington Prime Group Inc. Vote" in the subject line), or (c) writing to Washington Prime Group Ballot Processing, c/o Prime Clerk LLC, One Grand Central Place, 60 East 42nd Street, Suite 1440, New York, New York 10165. You may also download the exhibits and documents (as well as any pleadings filed with the Bankruptcy Court after the case has been filed) for free on the Debtors' restructuring website at https://cases.primeclerk.com/washingtonprime or from the Bankruptcy Court for a fee on PACER at https://ecf.txsb.uscourts.gov.

Be advised that the Debtors will file the Plan Supplement with the Bankruptcy Court in advance of the Confirmation Hearing. If the Plan Supplement is updated or otherwise modified, such modified or updated documents will be made available on the Debtors' restructuring website. The Debtors will serve a notice of the Plan Supplement filing on parties in interest in accordance with the Bankruptcy Code. Anyone wishing to obtain a copy of the Plan Supplement documents may access the Debtors' restructuring website,

https://cases.primeclerk.com/washingtonprime or from the Solicitation Agent at the contact information above.

THE DISCUSSION OF THE SOLICITATION AND VOTING PROCESS SET FORTH IN THIS DISCLOSURE STATEMENT IS ONLY A SUMMARY.

PLEASE REFER TO THE DISCLOSURE STATEMENT ORDER FOR A MORE COMPREHENSIVE DESCRIPTION OF THE SOLICITATION AND VOTING PROCESS.

A. Holders of Claims and Interests Entitled to Vote on the Plan

The Bankruptcy Code does not require all holders of claims against and/or interests in a debtor to vote on a chapter 11 plan. Only impaired creditors who are receiving a distribution under the plan are entitled to vote. The table shown in Article III.E of the Disclosure Statement provides a summary of the status and voting rights of each Holder of a Claim or Interest in a Class (absent an objection to the Holder's Claim or Interest) under the Plan. Holders of Claims in Classes 4A, 4B, 5, 10, and 11 (the "Voting Classes") are entitled to vote on the Plan. Holders in the Voting Classes are Impaired under the Plan and are receiving a distribution under the Plan, subject to certain applicable conditions. Accordingly, Holders of Claims or Interests in the Voting Classes have the right to vote to accept or reject the Plan.

The Debtors are ***not*** soliciting votes from Holders of Claims or Interests in Classes 1, 2, 6, 7, 8, 9, and 12. Holders of Claims in Classes 1, 2, 6, and 7 are deemed to accept the Plan because such Claims are Unimpaired. However, Holders of Claims in Classes 8 and 9 are either Impaired or Unimpaired and are either deemed to reject or accept, respectively. Finally, Holders of Claims in Class 12 are deemed to reject because they are Impaired.

B. Voting Record Date

The Voting Record Date is July 9, 2021. The Voting Record Date is the date on which it will be determined which Holders of Claims or Interests in the Voting Classes are entitled to vote to accept or reject the Plan and whether Claims or Interests have been properly assigned or transferred under Bankruptcy Rule 3001(e) such that an assignee or transferee, as applicable, can vote to accept or reject the Plan as the Holder of a Claim or Interest.

C. Voting on the Plan

The Voting Deadline is August 6, 2021, at 4:00 p.m. (prevailing Central Time). A ballot must be properly executed, completed, and delivered as directed in order to be counted towards acceptance or rejection of the Plan. The Solicitation Agent must **actually receive** the completed ballot(s) on or before the Voting Deadline. Ballots may be submitted to the Solicitation Agent via one of the applicable methods set forth on the Ballots.

IF YOU HAVE ANY QUESTIONS ABOUT THE SOLICITATION OR VOTING PROCESS, PLEASE CONTACT THE SOLICITATION AGENT TOLL FREE AT (877) 329-1913, LOCAL/INTERNATIONAL AT (347) 919-5772 OR VIA ELECTRONIC MAIL TO WASHINGTONPRIMEBALLOTS@PRIMECLERK.COM.

D. Ballots Not Counted

A ballot will not be counted toward confirmation if, among other things, (1) it is illegible or contains insufficient information to permit the identification of the Holder of such Claim or Interest, (2) an Entity that does not hold a Claim or Interest in a Voting Class casts the ballot in violation of the Solicitation

Procedures, (3) it is cast for a Claim scheduled as wholly-unliquidated, -contingent, or -disputed and the claimant has not filed a superseding proof of claim, (4) it is unsigned or lacking an original signature (note that a ballot submitted via the Solicitation Agent's online balloting portal shall be deemed an original signature), (5) it is not marked to accept or reject the Plan or marked both to accept and reject the Plan, and (6) it is submitted via improper means, as described in the Solicitation Procedures. **Please refer to the Disclosure Statement Order and Solicitation Package for additional requirements with respect to voting to accept or reject the Plan.**

IF YOU HAVE ANY QUESTIONS ABOUT THE SOLICITATION OR VOTING PROCESS, PLEASE CONTACT THE SOLICITATION AGENT TOLL-FREE AT +1 (877) 329-1913 OR LOCAL/INTERNATIONAL AT +1 (347) 919-5772.

ANY BALLOT RECEIVED AFTER THE VOTING DEADLINE OR OTHERWISE NOT IN COMPLIANCE WITH THE DISCLOSURE STATEMENT ORDER WILL NOT BE COUNTED.

VI. THE DEBTORS' CORPORATE HISTORY, STRUCTURE, AND BUSINESS OVERVIEW

A. The Company Overview

WPG Inc. operates as a fully integrated, self-administered, and self-managed real estate investment trust (a "REIT") headquartered in Columbus, Ohio, with a primary investment focus on enclosed retail shopping malls and open air properties located throughout the United States. As a REIT, WPG Inc. must, among other things, distribute at least 90% of its taxable income, exclusive of net capital gains, and satisfy certain other requirements to avoid liability for federal corporate income taxes. WPG Inc. is the sole general partner of and holds approximately 98.22% of the value of the limited partnership interests in Washington Prime Group, L.P. ("WPG LP"), a limited partnership based in Indianapolis, Indiana.[24] WPG Inc. owns all of its assets and conducts all of its activities through WPG LP, and both entities are consolidated for financial reporting purposes.

All of WPG real estate properties and other assets are developed, owned, and managed through its subsidiaries or joint venture relationships. WPG is comprised of over 200 entities (89 of which are Debtors), including dozens of subsidiaries operating pursuant to a joint venture partnership. These subsidiaries own and manage each of the properties mentioned above and the remaining properties in the Company's portfolio. A simplified organizational chart is attached to this Disclosure Statement as **Exhibit B**.

B. The Company's History

WPG was formed in a spinoff transaction from Simon Property Group ("SPG") on May 28, 2014. SPG and certain of its subsidiaries that held no material assets owned WPG prior to the spinoff. The SPG spinoff transaction allowed SPG to consolidate ownership of certain strip centers and smaller enclosed malls. WPG owned and operated 97 retail properties, including 43 malls and 54 strip centers, at the time of the transaction. Since its inception, the Company has become a recognized leader in the ownership, management, acquisition, and development of retail properties throughout the United States. In June 2014, WPG acquired a portfolio of seven open-air shopping centers—consisting of four shopping centers in Florida and one shopping center in each of Indiana, Connecticut, and Virginia—and Clay Terrace, a community lifestyle center located in Carmel, Indiana, that houses national and local retailers.

[24] Various limited partners own the remaining partnership interests.

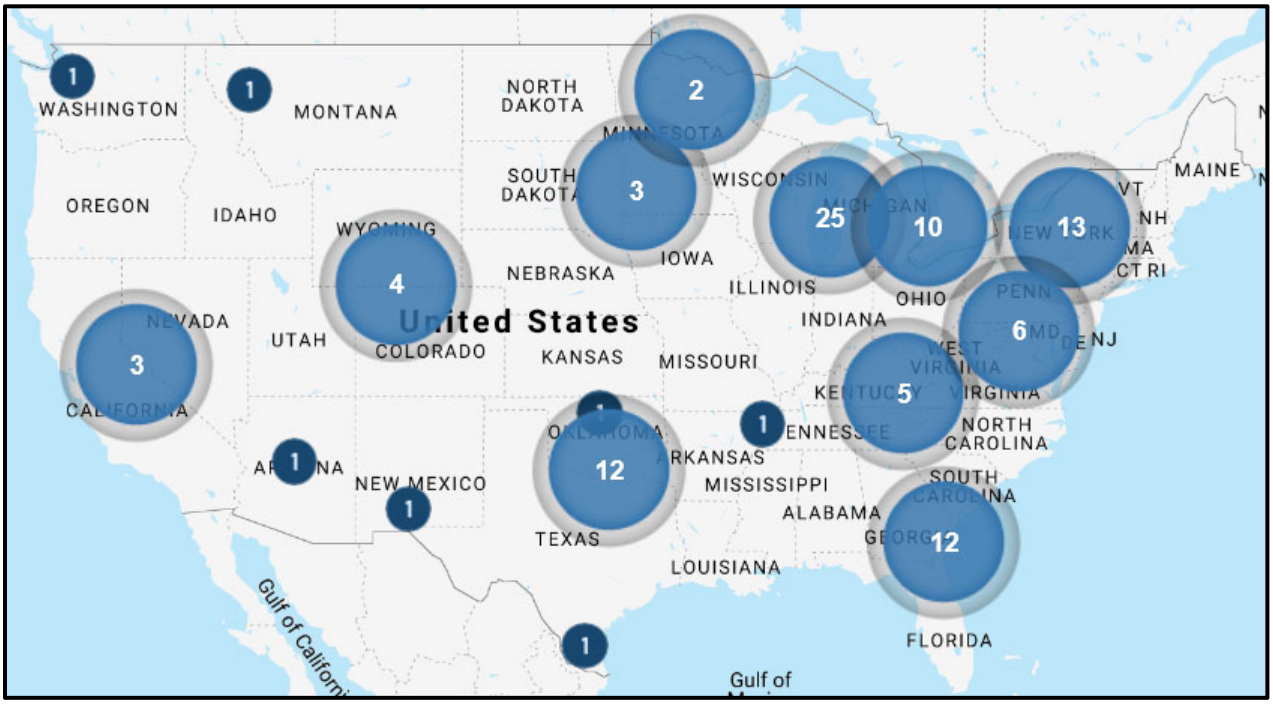
The Company acquired Glimcher Realty Trust ("Glimcher"), a REIT based in Columbus, Ohio, on January 15, 2015, adding an additional 23 shopping centers to its portfolio—bringing the total properties owned to 121 properties. The additional shopping centers accounted for the Company's growth to approximately 68 million square feet of gross leasable area. The Company changed its name from WP Glimcher Inc. to Washington Prime Group Inc. in August 2016.

C. Property Acquisition and Disposition

The Company has pursued and continues to pursue the acquisition of properties that meet its strategic criteria. In 2016 and 2017, WPG began to reduce its property footprint in light of the challenges facing brick-and-mortar retailers. Specifically, retail companies with expansive physical footprints started experiencing pressure and competition from online retailers. The Company adjusted to the headwinds facing the retail industry through various sales and transfers of properties to certain lenders. These transactions reduced WPG's portfolio to 114 properties (approximately 63 million square feet) and then 108 properties (approximately 59 million square feet) in 2016 and 2017, respectively.

But then, in April 2018, the Company acquired more properties, adding (1) four Sears department stores in Longview, Texas, Columbus, Ohio, Sioux City, Iowa, and Aurora, Colorado and (2) the Southgate Mall in Missoula, Montana. Later that year, WPG sold 20 outparcels to FCPT Acquisitions, LLC ("Four Corners") and transferred the Rushmore Mall in Rapid City, South Dakota, to the lender.

The Company's footprint was further reduced to 104 properties in 2019 with an occupancy rate of approximately 92.3%. Specifically, WPG (1) sold 25 outparcels to Four Corners, (2) sold Charles Town Square in Charleston, South Carolina, and (3) transferred Towne West Square in Wichita, Kansas, and West Ridge Mall and Plaza in Topeka, Kansas, to their respective lenders. In January 2020, WPG sold Matteson Plaza in Matteson, Illinois, and Dekalb Plaza in King of Prussia, Pennsylvania, as well as an additional six outparcels to Four Corners. As of the Petition Date, the Company has a material interest in 102 properties totaling approximately 53 million square feet in gross leasing area throughout the United States.



D. Operations and Revenue

1. Properties

The real estate industry is dynamic and competitive, which requires the Company to compete with other private and public real estate companies. WPG is able to remain a leader in the real estate ownership, development, and management space by attracting anchor stores, big box tenants, national inline tenants, restaurants, movie theaters, and regional and local retailers. The select anchor tenants include Macy's, Inc., Dillard's, Inc., J.C. Penney Co., Inc., Target Corporation, Kohl's Corporation, Dick's Sporting Goods, Best Buy Co., Inc., and TJX Companies, Inc. Restaurants include Dominick's Steakhouse, Eddie V's Prime Seafood, and Breakfast Kitchen Bar. And regional and local retailers include Bliss Modern Furniture, Touch of South, and Rack Room Shoes.

Examples of the Debtors' top shopping locations are below:

- ***Scottsdale Quarter***. As one of the top shopping destinations in Scottsdale, Arizona, Scottsdale Quarter is 764,044 square feet of premier retailers, restaurants, and entertainment and has been a part of WPG's portfolio since 2015. This open-air property is home to more than 80 retailers and restaurants, including Restoration Hardware, Amazon Books, Intermix, Kendra Scott, Free People, Bonobos, Warby Parker, Vince, Vineyard Vines, Spaces, Marine Layer, True Food Kitchen, SOL Mexican Cocina, and Sorso Wine Room. Its aesthetic gathering space located in the middle of the property has earned the Scottsdale Quarter local and national design awards. The Scottsdale Quarter is one of the properties included in the O'Connor Joint Venture I (as defined herein). As of May 31, 2021, the Scottsdale Quarter is at an 85.6% occupancy rate.

- ***Pearlridge Center***. Pearl Ridge is the largest enclosed shopping center and the second largest shopping mall in Hawaii, with 1,307,485 square feet. Located in Aiea, Hawaii, Pearlridge Center is home to more than 250 retail, dining, and entertainment companies, including Bed Bath & Beyond, BRUG Bakery, Express, Macy's, Inc., Jeans Warehouse, LensCrafters, M.A.C. Cosmetics, T.J. Maxx, and the Pearlridge Mall Theaters. The property is one of the properties included in the O'Connor Joint Venture I. Pearlridge Center overlooks Pearl Harbor and the USS Arizona Memorial and as of May 31, 2021 is at a 95.6% occupancy rate.

- ***Polaris Fashion Place***. With 1,373,708 square feet of over 200 retailers, restaurants, and other services, Polaris Fashion Place is Columbus, Ohio's premier retail destination. The two-story shopping mall features retailers such as H&M, JCPenney Co., Inc., Macy's, Inc. Barnes & Noble, Dick's Sporting Goods, Saks Fifth Avenue, Von Maur, the Apple Store, Coach, Dave & Buster's, the Cheesecake Factory, and Williams-Sonoma. It also includes a 775-seat food hall and one of central Ohio's largest children's soft play areas. WPG acquired Polaris Fashion Place in 2015 and is also one of the properties included in the O'Connor Joint Venture I. As of May 31, 2021, Polaris Fashion Place is at a 93.4% occupancy rate.

- ***Waterford Town Lakes Center***. Beautiful lakes and landscaping surrounds Waterford Lakes Town Center in Orlando, Florida. It open-air center spans a 967,287 square feet and contains popular retailers, restaurants, and entertainment services such as Ashley Furniture Home Store, Barnes & Noble, Bed Bath & Beyond, Ulta Beauty, Best Buy, Jo-Ann Fabrics, Cooper's Hawk, LA Fitness, Office Max, Regal Cinemas Stadium 20 Theater-IMAX, Ross Dress for Less, Target, Marlow's Tavern, and T.J. Maxx. Waterford Lakes Town Center was built in 1999 and as of May 31, 2021 has an occupancy rate of 91.8%.

- ***Fairfield Town Center***. One of the newest shopping center in WPG's portfolio is the Fairfield Town Center in Cypress, Texas. Built in 2014, the 448,381 square foot shopping centers has key retailers such as Academy Sports, Burlington Coat Factory, Cinemark, First Watch, H-E-B, HomeGoods, Marshalls, Party City, and Ulta Beauty. As of May 31, 2021, Fairfield Town Center has a 99.4% occupancy rate.

2. Rental Income

The Debtors primarily derive revenue from the income from retail tenant leases, offering property operating services to tenants, receiving reimbursements from tenants for certain recoverable expenditures, and increasing the productivity of occupied locations through aesthetic developments and re-merchandising. The majority of these leases contain extension options, typically at the lessee's election, and/or early termination provisions. However, none of the leases allow the lessee to purchase the underlying assets throughout the lease term.

Rental income is either based on a fixed minimum rent or percentage rent component, reimbursement of a fixed portion of our property operating expenses, such as utility, security, janitorial, landscaping, and food court and other administrative expenses included in common area maintenance, or CAM, and reimbursement of lessor costs such as real estate taxes and insurance. Additionally, a large number of WPG's tenants are also required to pay overage rents based on sales during the applicable lease year over a base amount stated in the lease agreement. Overage rents are only recognized when each tenant's sales exceed the applicable sales threshold as defined in their lease. Tenants might also be required to pay termination charges to vacate their space prior to their scheduled lease termination date.

WPG's rental income decreased $19.7 million for the three month period ending on March 31, 2021 compared to that same period ending on March 31, 2020. This was primarily due to the effects of the COVID-19 pandemic as well as tenant specific bankruptcy activity during and throughout 2020. Inclusive in this decrease was approximately $4.6 million of additional rental abatements granted during the 2021 period as a result of the ongoing effects of the COVID-19 pandemic on tenant operations. The Company's total rental income for the three-month period ending March 31, 2021, was $127.5 million.

3. The Company's Joint Ventures

WPG has four joint venture partnerships. The Company's largest joint venture portfolio is the O'Connor JVs with O'Connor Mall Partners, L.P., which consists of O'Connor Joint Venture I (as defined herein) and O'Connor Joint Venture IV (as defined herein):

- On February 25, 2015, the Company entered into a joint venture with O'Connor ("O'Connor Joint Venture I"). The O'Connor Joint Venture I portfolio encompasses five enclosed retail properties and related outparcels, each of which were obtained in the Glimcher acquisition: (a) The Mall at Johnson City in Johnson City, Tennessee; (b) Pearlridge Center in Aiea, Hawaii; (c) Polaris Fashion Place in Columbus, Ohio; (d) Scottsdale Quarter in Scottsdale, Arizona; and (e) Town Center Plaza in Leawood, Kansas. WPG owns a 51% noncontrolling interest in the aforementioned portfolio.

- On May 12, 2017, the Company entered into a second joint venture with O'Connor ("O'Connor Joint Venture II"), which encompassed seven enclosed retail properties and related outparcels: (a) The Arboretum in Austin, Texas; (b) Arbor Hills in Ann Arbor, Michigan; (c) the Oklahoma City Properties in Oklahoma City, Oklahoma; (d) Gateway Centers in Austin, Texas; (e) Malibu Lumber Yard in Malibu, California; (f) Palms Crossing I and II in McAllen, Texas; and (g) The Shops at Arbor Walk in Austin, Texas. WPG owns a 51% noncontrolling interest in the aforementioned portfolio.

- On May 21, 2020, the Company entered into a third joint venture with O'Connor ("O'Connor Joint Venture III"), which encompassed three development parcels: (a) Classen Curve in Oklahoma City, Oklahoma; (b) OKC North Triangle in Oklahoma City, Oklahoma; and (c) OKC Kensington in Oklahoma City, Oklahome. WPG owns a 51% noncontrolling interest in the aforementioned portfolio.

- On June 13, 2017, the Company entered into a fourth joint venture with O'Connor ("O'Connor Joint Venture IV"), which encompassed one retail property: Malibu Lumber Yard. WPG owns a 51% noncontrolling interest in the aforementioned portfolio.

- On October 16, 2018, the Company entered into a fifth joint venture with O'Connor ("O'Connor Joint Venture V"), which encompassed one retail property: Kahala Center. WPG owns a 10% noncontrolling interest in the aforementioned portfolio.

WPG manages the day-to-day operations, leasing obligations, and development responsibilities for each of the joint ventures.

On December 20, 2019, the O'Connor Joint Venture I entered into a mortgage loan maturity extension secured by The Mall at Johnson City to extend the maturity to May 6, 2023, with options for two additional one-year extensions. The extension was set to go effective on May 6, 2020; however, on June 11, 2020, in response to the COVID-19 pandemic, O'Connor Joint Venture I and its lenders extended the effective date to December 1, 2020.

The Company has entered into amendments to the O'Connor Joint Venture I and the O'Connor Joint Venture IV, pursuant to which such joint venture agreed to deliver replacement or supplemental guaranties to certain lenders under certain Mortgage Loans. Under such amendments, the Company agreed to bear 100% of the liabilities and costs under such Mortgage Loans arising from its restructuring (rather than its proportionate share). As discussed below, the Debtors, on behalf of O'Connor Joint Venture I and O'Connor Joint Venture IV, executed several forbearance agreements, loan amendments and/or substitute or supplemental guarantees in connection with certain of their outstanding mortgage loans.

E. The Debtors' Prepetition Capital Structure

As of the Petition Date, the Debtors have approximately $3,872.2 million in total funded debt obligations and two classes of stock. The following table depicts the Debtors' prepetition capital structure:

Debt	Approx. Principal Amount Outstanding ($mm)
2018 Secured Revolving Credit Facility	$485.25
2018 Secured Term Loan Facility	$262.5
2015 Secured Credit Facility	$255
Weberstown Term Loan Facility	$65
Total Corporate Secured Debt	**$1,067.75**
Mortgage Loans (consolidated)	$1,033.7
Mortgage Loans (unconsolidated)	$606.3[25]
Other Indebtedness	$109.3
Total Secured Debt	**$2,817.05**
2018 Unsecured Revolving Credit Facility	$161.75
2018 Unsecured Term Loan Facility	$87.5
2015 Unsecured Credit Facility	$85
Unsecured Notes	$720.9
Total Corporate Unsecured Debt	**$1,055.15**
Total Funded Debt	**$3,872.2**

Preferred Equity	Shares	Approximate Liquidation Preference
Preferred Equity - Series H	4,000,000	$100 million
Preferred Equity - Series I	3,800,000	$95 million
Preferred Equity - Series I-1	130,592	$3.3 million

1. The 2018 Credit Facilities

The Debtors maintain a revolving credit facility ("2018 Revolving Credit Facility") and term loan facility (the "2018 Term Loan Facility" and, together with the 2018 Revolving Credit Facility, the "2018 Credit Facility") under that certain Revolving Credit and Term Loan Agreement, dated as of January 22, 2018 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "2018 Credit Facility Agreement"), by and among WPG LP, as borrower, Bank of America, N.A., as administrative agent (in such capacity, together with its permitted successors and assigns, the "2018 Credit Facility Agent"), and the other lenders parties thereto (the "2018 Credit Facility Lenders"). The 2018 Revolving Credit Facility provides for revolver borrowings in the aggregate principal amount of $650 million and 2018 Term Loan Facility provides for term loan borrowings in the aggregate principal amount of $350 million.

On August 13, 2020, WPG LP amended the 2018 Credit Facility Agreement (the "2018 Credit Facility Agreement Amendment") to, among other things, modify and waive the Debtors' compliance with certain debt covenants. The 2018 Credit Facility Agreement Amendment also bifurcated the (1) 2018 Revolving Credit Facility into two parts, a $487.5 million secured portion (the "2018 Secured Revolving Credit Facility") and a $162.5 million unsecured portion (the "2018 Unsecured Revolving Credit Facility"),

[25] This amount reflects the Company's *pro rata* share of mortgage debt from the Company's unconsolidated joint ventures.

and (2) 2018 Term Loan Facility into two parts, a $262.5 million secured portion (the "2018 Secured Term Loan Facility" and, together with the 2018 Secured Revolving Credit Facility, the "2018 Secured Facilities"), and a $87.5 million unsecured portion (the "2018 Unsecured Term Loan Facility" and, together with the 2018 Unsecured Revolving Credit Facility, the "2018 Unsecured Facilities"). In connection with the 2018 Credit Facility Agreement Amendment, WPG LP, WPG Inc., and certain of its subsidiaries pledged and granted new security interests and liens in and on certain income-producing properties and the equity interests in certain property-owning subsidiaries to secure the 2018 Secured Facilities. The security granted with respect to the 2018 Secured Facilities is to remain in place until occurrence of that certain security release trigger, which occurs upon the WPG LP's compliance with certain financial covenants as more fully described in the 2018 Credit Facility Agreement.

The 2018 Revolving Credit Facility is scheduled to mature in December 2021 and the 2018 Term Loan Facility is scheduled to mature in December 2022. As of the Petition Date, approximately (a) $647 million in aggregate principal amount of borrowings is outstanding under the 2018 Revolving Credit Facility, of which $485.25 million is the 2018 Secured Revolving Credit Facility and $161.75 million is the 2018 Unsecured Revolving Credit Facility, and (b) $350 million in aggregate principal amount of borrowings is outstanding under the 2018 Term Loan Facility, of which $262.5 million is the 2018 Secured Term Loan Facility and $87.5 million is the 2018 Unsecured Term Loan Facility. In aggregate, approximately $747.75 million of borrowings are outstanding under the 2018 Secured Facilities and $249.25 million of borrowings are outstanding under the 2018 Unsecured Facilities in aggregate.

2. The 2015 Credit Facility

The Debtors maintain a term loan facility (the "2015 Credit Facility") under that certain Term Loan Agreement, dated as of December 10, 2015 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "2015 Credit Facility Agreement"), by and among WPG LP, as borrower, GLAS USA LLC and Americas LLC (as successor to PNC Bank, National Association), as administrative agent (in such capacity, together with its permitted successors and assigns, the "2015 Credit Facility Agent"), and the other lenders parties thereto (the "2015 Credit Facility Lenders"). The 2015 Credit Facility provides for borrowings in the aggregate principal amount of $340 million. The 2015 Credit Facility bears interest at the base rate or LIBOR, plus an applicable margin per annum with a 0.50% LIBOR floor, which is payable monthly in arrears the first business day of each calendar month.

On January 22, 2018, WPG LP amended the 2015 Credit Facility Agreement, to, among other things, modify certain debt covenants. On August 13, 2020, WPG LP further amended the 2015 Credit Facility Agreement (the "2015 Credit Facility Agreement Second Amendment") to, among other things, modify and waive the Debtors' compliance with certain debt covenants. The 2015 Credit Facility Agreement Second Amendment also bifurcated the 2015 Credit Facility into a $255 million secured portion (the "2015 Secured Facility") and an $85 million unsecured portion (the "2015 Unsecured Facility"). In connection with the 2015 Credit Facility Agreement Second Amendment, WPG LP, WPG Inc. and certain of its subsidiaries pledged and granted new security interests and liens in and on certain income-producing properties and the equity interests in certain property-owning subsidiaries to secure the 2015 Secured Facility. The security granted with respect to the 2015 Secured Facility is to remain in place until occurrence of that certain security release trigger, which occurs upon WPG LP's compliance with certain financial covenants, as more fully described in the 2015 Credit Facility Agreement. The 2015 Credit Facility is scheduled to mature in January 2023. As of the Petition Date, approximately $340 million in aggregate principal amount of borrowings are outstanding, $255 million of which is the 2015 Secured Facility and $85 million of which is the 2015 Unsecured Facility.

3. Intercreditor Agreement

On August 13, 2020, the Debtors entered into an intercreditor agreement (the "Intercreditor Agreement") with the lenders under the 2018 Credit Facility and the 2015 Credit Facility and the agents thereto governing, among other things, distributions of payments under each and treatment of collateral thereunder, and imposing certain covenants on the Debtors.

4. The Weberstown Term Loan Facility

The Debtors maintain a senior secured term loan facility (the "Weberstown Term Loan Facility") under that certain Senior Secured Term Loan Agreement, dated as of June 8, 2016 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "Weberstown Term Loan Facility Agreement"), by and among WTM Stockton, LLC and WPG LP, as borrowers, GLAS USA LLC and Americas LLC (as successor to Huntington National Bank), as administrative agent (in such capacity, together with its permitted successors and assigns, the "Weberstown Term Loan Facility Agent"), and the other lenders parties thereto (the "Weberstown Term Loan Facility Lenders"). The Weberstown Term Loan Facility provides for borrowings in the aggregate principal amount of $65 million. The Weberstown Term Loan Facility bears interest at the base rate, plus an applicable margin per annum with a 0.50% LIBOR floor, which is payable in arrears on the first day of each calendar month.

WTM Stockton, LLC and WPG LP amended the Weberstown Term Loan Facility Agreement on December 23, 2016, to, among other things, clarify financial reporting requirements and again on April 10, 2018, to, among other things, modify certain debt covenants. On August 13, 2020, WTM Stockton, LLC and WPG LP further amended the Weberstown Term Loan Facility Agreement (the "Weberstown Term Loan Facility Agreement Third Amendment" and, together with the 2018 Credit Facility Agreement Amendment and the 2015 Credit Facility Agreement Second Amendment, the "2020 Amendments") to, among other things, modify and waive the Debtors' compliance with certain debt covenants. The Weberstown Term Loan Facility matured in June 2021. As of the Petition Date, approximately $65 million in aggregate principal amount of borrowings are outstanding under the Weberstown Term Loan Facility.

5. The Unsecured Notes

On August 4, 2017, WPG LP issued $750 million in aggregate principal amount of Unsecured Notes pursuant to the Unsecured Notes Indenture. The Unsecured Notes carry an interest rate of 6.45% (inclusive of the triggered ratings-based interest rate adjustment under the Unsecured Notes Indenture), which is payable semi-annually in arrears on each February 15 and August 15. The Unsecured Notes are scheduled to mature in August 2024. As of the Petition Date, approximately $720.9 million in principal and $39 million in accrued interest amount is outstanding under the Unsecured Notes.

6. Secured Property-Level Debt Obligations

As of the Petition Date, certain subsidiaries of WPG Inc. (the "Mortgage Subsidiaries") have payment obligations due in installments over various terms extending to 2029 under certain secured property-level debt obligations secured by 34 unconsolidated properties (each, a "Mortgage Loan"). The Mortgage Loans total approximately $1,639,993,000[26] in the aggregate as of May 31, 2021, inclusive of WPG's *pro rata* share of joint venture mortgage debt. WPG LP has guaranteed obligations under 31 of the Mortgage Loans, and WPG LP's bankruptcy triggers an event of default under twenty-two (22) of these Mortgage Loans. Washington Prime Properties Limited Partnership ("WPP LP") has guaranteed obligations under two (2) of the Mortgage Loans and WPP LP's bankruptcy triggers an event of default

[26] Inclusive of approximately $456 million for transition purposes.

under this Mortgage Loan. A chart depicting the Mortgage Subsidiaries under each Mortgage Loan, the corresponding properties secured under each Mortgage Loan, the outstanding loan amount, the interest rate, and the maturity date under each of the Mortgage Loans is attached as Exhibit C to the *Declaration of Mark E. Yale, Executive Vice President and Chief Financial Officer of Washington Prime Group Inc., in Support of the Debtors' Chapter 11 Petitions and First Day Motions* (the "First Day Declaration") filed on the Petition Date [Docket No. 26].

7. Preferred Equity

On January 15, 2015, in connection with the acquisition of Glimcher, the Debtors issued as consideration, among other equity, (a) 4,000,000 shares of 7.5% Series H Cumulative Redeemable Preferred Equity, par value $0.001 per share (the "Series H Preferred Equity") and (b) 3,800,000 shares of 6.875% Series I Cumulative Redeemable Preferred Equity, par value $0.001 per share (the "Series I Preferred Equity," and together with the 7.5% Preferred Equity, the "WPG Inc. Preferred Equity").[27] The WPG Inc. Preferred Equity is currently listed on the New York Stock Exchange under the symbol "WPGPRH" for the Series H Preferred Equity and under the symbol "WPGPRI" for the Series I Preferred Equity, respectively. It is likely the WPG Inc. Preferred Equity will be delisted by the exchange after the Petition Date. Further, WPG LP issued 130,592 shares of 7.3% Series I-1 Preferred Units, par value $0.001 per share (the "Series I-1 Preferred Equity," and together with the Series H Preferred Equity and the Series I Preferred Equity, the "Preferred Equity"). WPG LP issued to WPG Inc. a like number of preferred units as consideration for the Series H Preferred Equity and Series I Preferred Equity. The Preferred Equity has no stated maturity and will remain outstanding indefinitely unless repurchased or redeemed by the Debtors.

8. Common Stock

On January 15, 2015, in connection with the acquisition of Glimcher, WPG Inc. issued as consideration 29,868,701 common shares. On December 17, 2020, WPG Inc.'s common shareholders approved an amendment to its Amended and Restated Articles of Incorporation that effectuated a one-for-nine reverse stock split of WPG Inc.'s common shares. As a result, the number of outstanding common shares of WPG Inc. was reduced from approximately 187.4 million to approximately 21.0 million. As of June 3, 2021, 24,459,645 common shares are outstanding (the "WPG Inc. Common Stock"), an increase resulting from certain conversions of limited partner interests in 2021. The Common Stock is currently traded on the New York Stock Exchange under the symbol "WPG." It is likely the exchange will delist the Common Stock after the Petition Date.

9. Limited Partner Units.

Limited partners of WPG LP hold their ownership through preferred units ("LP Preferred Units") and common units ("Existing Common Equity Units") of limited partnership interests in WPG LP. On January 15, 2015, WPG LP issued 130,592 of LP Preferred Units and 1,621,695 of LP Common Units (which were adjusted to 180,188 Existing Common Equity Units pursuant to the reverse stock split discussed below) to third parties. As of June 3, 2021, WPG LP has 7,800,000 of LP Preferred Units outstanding and 24,459,645 of LP Common Units outstanding.

The Existing Common Equity Units and the WPG Inc. Common Stock have the same economic characteristics, as they effectively participate equally in the net income and distributions of the Company.

[27] WPG also issued, as consideration in the acquisition, 4,700,000 shares of 8.125% Series G Cumulative Redeemable Preferred Equity, par value $0.001 per share (the "Series G Preferred Equity"), which WPG redeemed in full on April 15, 2015. The Series G Preferred Equity were redeemed at a redemption price of $25 per share, plus accumulated and unpaid distributions up to, but excluding, the redemption date, in an amount equal to $0.5868 per share, for a total payment of $25.5868 per share.

Holders of LP Common Units receive distributions per unit in the same manner as distributions on a per common share basis to shareholders of WPG Inc. Common Stock. Moreover, for each share of WPG Inc. Common Stock, WPG LP has issued a corresponding number of Existing Common Equity Units to the limited partners of WPG LP in exchange for the proceeds from the WPG Inc. Common Stock issuance. Holders of Existing Common Equity Units may elect to convert all or a portion of their Existing Common Equity Units for WPG Inc. Common Stock on a one-for-one basis or cash, as selected by the Company. Upon a conversion of Existing Common Equity Units to WPG Inc. Common Stock, WPG Inc. assumes the Existing Common Equity Units. As a result, the Existing Common Equity Units are considered to be equivalent to WPG Inc. Common Stock.

Similarly, the LP Preferred Units generally have the same economic characteristics as the WPG Preferred Equity. WPG LP issued a like number of LP Preferred Units to WPG Inc. in exchange for the proceeds from the issuance of WPG Inc. Preferred Equity.

During the year of 2020, WPG Inc. issued a total of 2,631 shares of WPG Inc. Common Stock to certain limited partners of WPG LP in exchange for an equal number of Existing Common Equity Units, increasing WPG Inc.'s ownership interest in WPG LP. On December 17, 2020, the outstanding common operating units and equity awards of WPG LP were also adjusted at the same one-for-nine conversion rate in relation to the reverse stock split. As of the Petition Date, there were 166 holders of record of Existing Common Equity Units.

Under the Plan, LP Preferred Units are classified together in Class 10 with Existing Preferred Equity Interests and Existing Common Equity Units are classified together in Class 11 with Existing Common Equity Interests.

VII. EVENTS LEADING TO THE CHAPTER 11 FILINGS

A. Headwinds in the Retail Sector

The shift of consumer behavior from shopping in brick-and-mortar retail stores to online channels has resulted in operational challenges for much of the retail industry. WPG, as a major landlord of national retailers, has not been spared from the economic pressures of this new reality. The Debtors' business is susceptible to the risks that affect the retail environment generally, including levels of consumer spending, seasonality, changes in economic conditions, unemployment rates, and an increase in consumers using e-commerce channels. Even before the global COVID-19 pandemic, this seismic shift in the retail landscape had rendered certain of the Debtors' tenants unable to pay rents and other amounts due under their leases. This had an adverse impact on the Debtors' income, cash flow, and operations, as substantially all of their income is derived from rent receipts. For example, chapter 11 filings of certain of the Debtors' tenants, including Bon-Ton Stores and Sears Holdings Corporation in 2018, resulted in numerous department store closures, which rent loss significantly impacted the Debtors' balance sheet. Further, renovating and remodeling many of these properties for-reuse (a process that is ongoing), has required significant capital investment.

As detailed below, these headwinds only intensified with the onset of the pandemic in 2020, which brought in-store customer activity to a grinding halt for months in various states across the country. Many of the tenants' financial distresses were exacerbated as a result, leading to their own chapter 11 filings or liquidations.

B. The COVID-19 Pandemic

The World Health Organization declared COVID-19 pandemic in March 2021. Government officials implemented drastic measures to slow the virus transmission rate and mitigate the increase in

demand for medical treatment. Such measures included closing all non-essential businesses, imposing curfews, limiting the sizes of groups, and imposing social distancing and sanitation requirements. This led to a sharp decline in consumer spending, as both the Debtors' tenants saw a reduction in operations. The Debtors' performance is tied to the health and financial stability of their tenants. As their tenants ceased or limited ordinary course operations in the interest of public health and safety, the Debtors experienced consequential reduction in revenue. Specifically, the Debtors granted rent relief to certain of their tenants through a combination of rent deferrals and rent abatements, which resulted in a $24.1 million reduction in fiscal year 2020 rental income, with additional impact to fiscal year 2020 operating cash flows due to rent deferrals. The Debtors also recorded an adjustment to rental income of approximately $52.4 million related to the future collectability of rents. This allowed the Debtors to maintain relationships with tenants, which is critical to the Debtors' overall long-term strategy.

The Debtors use a significant portion of their cash flow to pay interest and principal obligations as they become due on their long-term debt obligations. As such, they generally have limited flexibility to respond to significant adverse changes to their business, including the operational challenges resulting from the COVID-19 pandemic. Although all of the Debtors' shopping centers were open as of December 31, 2020 (albeit subject to certain applicable operational limitations and capacity restrictions), the fluctuation of surges in COVID-19 cases in different geographic regions has resulted in lower foot traffic and continued uncertainty in the retail industry.

C. Financial Response

The Company took a number of cost saving and capital preservation steps in response to the impact of COVID-19. For example, the Debtors negotiated and executed the 2020 Amendments to provide covenant relief from their prepetition credit agreements, sought the sale of certain assets, and engaged with certain prepetition lenders to restructure their balance sheet. The Debtors also (1) temporarily reduced senior management base compensation by 5% to 25%, (2) suspended quarterly dividends to common shareholders and operating partnerships, (3) made the difficult decision to institute furloughs or layoffs of 20% of its workforce as well as implemented a hiring freeze, (4) drew $120 million under the 2018 Revolving Credit Facility, and (5) entered into various forbearance agreements on certain of their outstanding Mortgage Loans to enhance cash flow during the period in which WPG is collecting decreased rent amounts from their tenants.

1. The 2020 Amendments

In August 2020, the Debtors negotiated certain covenant relief amendments to their credit facilities to provide a runway extending through the third quarter of 2021. While the 2020 Amendments did not modify the sizing or maturity of the credit agreements, the 2020 Amendments, among other things:

- bifurcated the (a) 2018 Revolving Credit Facility, (b) 2018 Term Loan Facility, and (c) 2015 Credit Facility, respectively, into secured and unsecured facilities, including through adding unsecured guarantees of certain entities, pledging security interests on certain income-producing properties, and providing equity interests in certain property-owning subsidiaries;

- provided compliance waivers for certain total and unsecured leverage covenants for the fiscal quarter ending June 30, 2020, through and including the fiscal quarter ending September 30, 2020;

- permanently removed a minimum combined equity value covenant;

- modified certain financial covenants for the fiscal quarters beginning June 30, 2020 and ending June 30, 2021;
- added new operating covenants to be in effect during the covenant modification period;
- modified certain other negative covenants during the covenant modification period to limit certain non-ordinary course business transactions;
- added certain mandatory prepayment requirements in connection with certain transactions; and
- revised certain agreement terms to increase the LIBOR floor and permanently change interest rate margins.

2. Westminster Mall Sale

In an effort to generate additional liquidity, WPG engaged with potential buyers for the sale of certain assets. On November 5, 2020, the Debtors executed a purchase and sale agreement to sell approximately 43.13 acres of the Westminster Mall, located in Westminster, California, to Taylor Morrison of California, a real estate developer. Under the agreement, WPG will retain certain acres of the Westminster Mall. The Debtors anticipate that the transaction will close during the second half of 2022 and is expected to generate approximately $50 million in net cash proceeds.

3. Proposed Exchange Tender Offer

The Company also actively sought measures to deleverage its balance sheet. As mentioned above, in late 2020, the Debtors engaged in discussions regarding a potential debt-for-preferred equity exchange transaction to exchange certain of the debt obligations for preferred equity. The transaction would have allowed the Debtors to convert approximately $259.3 million of their unsecured bonds into approximately $175 million of new preferred equity. The Debtors sought to effectuate the transaction by reorganizing their 51% interest in certain joint ventures with O'Connor into a special purpose vehicle. Despite progress in the negotiations, those discussions came to a halt after the parties were unable to agree on certain economic terms of the transaction.

4. Property Level Mortgage Loan Matters - Forbearance Agreements, Etc.

The Company and certain Mortgage Subsidiaries have entered into a number of forbearance agreements (collectively, the "Mortgage Forbearance Agreements") on certain of its outstanding Mortgage Loans. The Mortgage Forbearance Agreements, among other things, contain a waiver of certain events of default and the default rate of interest for specified periods of time or until WPG LP emerges from bankruptcy or an acceptable replacement guarantor is provided. Certain of the Mortgage Forbearance Agreements required cash traps or other cash management mechanics to be in place as a condition to such forbearance. In addition, the Company has entered into loan extensions for certain property-level mortgage loans and replacement or supplemental guaranties have been provided on certain property-level mortgage loans.

5. Discussions with Creditors and Entry Into Restructuring Support Agreement

The Debtors and Consenting Stakeholders, with the assistance of their respective advisors, began engaging in early 2021. Around that time, a member among the Consenting Stakeholders, the Plan Sponsor, acquired substantial positions with respect to the Unsecured Notes Claims, Weberstown Term Loan Facility Claims, and Revolving and Term Loan Facilities Claims. In addition, the Ad Hoc Lender Group formed a

group of Holders of the 2015 Credit Facility Claims, 2018 Credit Facility Claims, and Weberstown Term Loan Facility Claims. Each of these parties were involved in the negotiation process, which consisted of substantial due diligence, numerous telephonic conferences, and reviewing and revising draft deal-related documents. These discussions were hard-fought, arms' length, and (at times) contentious over the terms of the restructuring. Such efforts resulted in the value-maximizing dual-track restructuring proposal contemplated under the Plan.

The terms of the Restructuring Support Agreement, as embodied in the Plan, permit the Debtors to continue marketing their business so long as the Debtors share all third-party proposals with counsel to the Plan Sponsor within two business days of receipt thereof. As such, prior to the Petition Date, the Debtors started actively engaging with various third parties about a potential alternative restructuring transaction. These engagements have consisted of producing diligence and engaging in discussions about the nature of the business, the various properties, and financials, among other things, subject to the applicable confidentiality agreement. In particular, the Debtors have provided voluminous information, including property-level information, historical and budgeted net operating income, capital investment plans, occupancy, and rent rolls. As of the date hereof, the Debtors efforts have already produced promising results, with more than 12 parties signing confidentiality agreements to receive additional information.

6. The Bidding and Marketing Process

On the Petition Date, the Debtors filed the Bidding Procedures Motion seeking to approve the Bidding Procedures pursuant to which the Debtors will continue conducting a marketing and bidding process for a sale or alternate value-maximizing transaction with respect to all of the assets and/or equity interests of the Debtors and the Debtors' non-Debtor subsidiaries through a plan of reorganization. The Bidding Procedures provide a framework through which the Debtors will be able to determine whether a value-maximizing Toggle Restructuring option exists. Pursuant to the Restructuring Support Agreement, the Debtors will only pursue an Acceptable Alternative Restructuring Proposal if the proposed Transaction will improve value to the Debtors' junior stakeholder recoveries as compared with the Equitization Restructuring. Pursuant to the Bidding Procedures, there is no prohibition on pairing bids, and to the extent any Potential Bidders and/or Acceptable Bidders are interested, the Debtors' Advisors will facilitate the communications between parties and the potential joining of bids. While the Debtors will consider bids for a subset of the Debtors' assets, any such bid shall be encompassed as part of a Qualified Bid.

This postpetition marketing and bidding process is a continuation of the prepetition process described above. The Debtors, their proposed investment banker, Guggenheim Securities, and other advisors have invested substantial time and effort into the prepetition marketing process, including outreach to a broad universe of relevant strategic and financial parties. Specifically, the Debtors, with Guggenheim Securities' assistance, contacted 19 parties, 13 of which executed confidentiality agreements and were provided with access to a virtual dataroom that contained confidential evaluation materials and [six] of which have since provided preliminary indications of interest and/or proposals. These preliminary indications of interest and/or proposals range from pieces of the Debtors' property portfolio to the entire company, and Guggenheim Securities and the Debtors remain in active discussions with such parties with respect to any potential value-maximizing transaction.

As a continuation of this prepetition marketing process under Bankruptcy Court supervision on a postpetition basis, the Debtors propose the following timeline for the marketing and bidding process, which is subject to the Bankruptcy Court's approval:

Event	Date
Bid Deadline	August 4, 2021, at 4:00 p.m. (prevailing Central time)
Deadline to notify all Qualified Bidders of the highest or otherwise best Qualified Bid and provide copies of the documents supporting such Bid to all Qualified Bidders and the Consultation Parties	August 5, 2021, at 4:00 p.m. (prevailing Central time)
Auction (if required)	August 6, 2021, at 9:00 a.m. (prevailing Central time)
Deadline for objections to approval of any Bid (including any credit bid), including objections based on the manner in which the Auction was conducted and the identity of the Winning Bidder, whether submitted prior to, on, or after the Bid Deadline.	August 9, 2021, at 4:00 p.m. (prevailing Central time) n

7. The DIP Financing and Marketing Process[28]

Pursuant to the *Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing Debtors (A) to Obtain Postpetition Financing and (B) to Utilize Cash Collateral, (II) Granting Adequate Protection to Prepetition Secured Parties, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (the "DIP Motion") [Docket No. 23], the Debtors seek approval of the proposed $100 million DIP Facility and the postpetition use of Cash Collateral (as defined in the DIP Motion). The DIP Facility provides the necessary cash to meet immediate operational needs and the liquidity for a smooth transition into chapter 11. The Debtors, with the assistance of their relevant advisors, analyzed their projected cash needs and prepared a 13-week cash flow forecast (the "Budget") for the use of Cash Collateral during the Chapter 11 Cases. Considerations underlying the Budget and DIP Facility sizing relate to forecasts of amounts needed to administer these chapter 11 cases, implement the Debtors' business plan, address any potential limitations to access Cash Collateral from mortgaged special purpose entities and joint venture properties resulting from a chapter 11 filing, and address incremental default interest and forbearance fees associated with properties experiencing which are subject to a cross-default.

Prior to the Petition Date, the Debtors, with the assistance of their advisors, worked diligently to evaluate options for potential debtor-in-possession financing. The Debtors launched a robust prepetition marketing process in March 2021 to evaluate alternatives to the proposed DIP Facility. Specifically, the Debtors, with the assistance of Guggenheim Securities, canvassed public market participants and solicited the members of the Ad Hoc Lender Group and the Plan Sponsor in parallel to identify the best possible solution to the Debtors' postpetition financing needs. Additional information about the marketing process can be obtained from the declarations attached to the DIP Motion, each of which were filed contemporaneously with the DIP Motion and are incorporated by reference herein.

On March 30, 2021, the Debtors, in consultation with their advisors, narrowed down the prospective debtor-in-possession financing lenders to (i) the Ad Hoc Lender Group and the Plan Sponsor, and (ii) five additional financial institutions. After receiving the competing proposals, the Debtors, with the assistance of Guggenheim Securities, engaged in additional negotiations with these parties and as a result further narrowed the final prospective debtor-in-possession lenders to two institutions forming a joint financing proposal, as well as a separate joint proposal from the Ad Hoc Lender Group and the Plan Sponsor, and actively engaged in extensive negotiations with each group of prospective lenders regarding

[28] Capitalized terms used in this Article VII.C.7 herein but not otherwise defined herein shall have the meanings ascribed to them in the DIP Motion or Interim DIP Order, as applicable.

key economic and structural terms of the proposals under consideration. These negotiations involved (a) multiple telephone conferences among the Debtors and their various advisors, (b) the exchange of multiple iterations of term sheet proposals and related documents reflecting the proposed debtor in possession financing terms, and (c) the circulation of the proposed budget and other due diligence materials to potential lenders. Following several rounds of negotiations that resulted in material structural concessions from the DIP Lenders, the Debtors and DIP Lenders came to a mutual agreement on the terms and conditions of the DIP Facility.

D. Corporate Existence Upon Emergence

Except as otherwise provided in the Plan or the Plan Supplement, or any agreement, instrument, or other document incorporated therein, each Debtor shall continue to exist after the Effective Date as a separate corporate entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other formation documents) are amended under the Plan, the New Governance Documents, or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval (other than any requisite filings required under applicable state, provincial, or federal law). After the Effective Date, one or more of the Reorganized Debtors may be disposed of, dissolved, wound down, or liquidated without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

E. Expected Timetable for these Chapter 11 Cases

Contemporaneously herewith, the Debtors filed the *Debtors' Emergency Motion for Entry of an Order (I) Scheduling a Combined Disclosure Statement Approval and Plan Confirmation Hearing, (II) Conditionally Approving the Adequacy of the Disclosure Statement, (III) Approving the Solicitation Procedures, (IV) Approving the Forms of Ballots and Notices in Connection Therewith, (V) Approving the Rights Offering Procedures and Related Materials (VI) Scheduling Certain Dates with Respect Thereto, and (VII) Granting Related Relief,* filed contemporaneously herewith, seeking approval of the proposed solicitation timeline consistent with the milestones in the Restructuring Support Agreement. The milestone contemplates the Debtors either confirming 60 days after the Petition Date or 74 days after the Petition Date if the Debtors are pursuing an Acceptable Alternative Restructuring. If the Debtors are not pursuing an Acceptable Alternative Restructuring, then the Debtors are required to emerge on or before August 27, 2021, thus providing an efficient and expeditious exit from Chapter 11. However, the Debtors will receive an additional 14 days should an Acceptable Alternative Restructuring be pursued. This will provide time for definitive documentation to be negotiated and executed and will afford parties an interest a meaningful opportunity to review the transaction and its impact on Claims and Interests under the Plan. The proposed timeline under the proposed Disclosure Statement Order allows for more than a sufficient amount of time to administer these Chapter 11 Cases in a manner that gives all parties in interest a full and fair opportunity to participate in the process.

F. First Day Motions

On the Petition Date, the Debtors filed several motions (the "First Day Motions") and an application to retain the Solicitation Agent (the "Retention Application") designed to facilitate the administration of the Chapter 11 Cases and minimize disruption to the Debtors' operations. The requested relief eases the strain that the bankruptcy process imposed on a debtor's relationships with employees, vendors, and tenants following the commencement its case. Copies of the First Day Motions and Retention and all orders for relief granted in the Chapter 11 Cases can be obtained for free the Solicitation Agent's website at

https://cases.primeclerk.com/washingtonprime or for a fee at the Bankruptcy Court's website https://ecf.txsb.uscourts.gov.

VIII. CONFIRMATION OF THE PLAN

A. Confirmation Hearing

Section 1128(a) of the Bankruptcy Code requires a bankruptcy court, after notice, to conduct a hearing to consider confirmation of a chapter 11 plan. Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to confirmation of such plan. **The Bankruptcy Court has scheduled the Confirmation Hearing for August 12, 2021, at 9:00 a.m., prevailing Central Time.**[29] The Court may adjourn the Confirmation Hearing from time to time without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or the filing of a notice of such adjournment. Any objection to the Plan must (1) be in writing, (2) conform to the Bankruptcy Rules and the Local Rules for the United States Bankruptcy Court for the Southern District of Texas, (3) state the name, address, phone number, and e-mail address of the objecting party and the amount and nature of the Claim or Interest of such entity, if any, (4) state with particularity the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection, and (5) be filed, contemporaneously with a proof of service, with the Bankruptcy Court and served so that the parties entitled to notice **actually receive** such objection no later than the Plan Objection Deadline. **The Bankruptcy Court may not consider an objection unless an objection to the Plan is timely served and filed.**

B. Requirements for Confirmation of the Plan

Among the requirements for Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code are the following: (1) all impaired classes of claims or interests must accept the plan or, if the impaired class rejects the plan, the plan "does not discriminate unfairly" and is "fair and equitable" as to the rejecting impaired class; (2) the plan is feasible; and (3) the plan is in the "best interests" of holders of claims or interests. At the Confirmation Hearing, the Bankruptcy Court will determine whether the Plan satisfies all of the requirements of section 1129 of the Bankruptcy Code. The Debtors believe that (1) the Plan satisfies or will satisfy all of the necessary statutory requirements of chapter 11 for plan confirmation, (2) the Debtors have complied or will have complied with all of the necessary requirements of chapter 11 for plan confirmation, and (3) the Plan has been proposed in good faith.

C. Best Interests of Creditors/Liquidation Analysis

Section 1129(a)(7) of the Bankruptcy Code requires that a bankruptcy court find that a chapter 11 plan provides that in each impaired class each holder of a claim or an equity interest either (1) has accepted the plan or (2) will receive or retain under the plan property of a value that is not less than the amount that the non-accepting holder would receive or retain if the debtors liquidated under chapter 7. This is requirement is often called the "best interest" test.

A plan is in the best interests of each impaired class when the value of the distributions from the proceeds of the liquidation of the debtor's assets and properties (after subtracting the amounts attributable to the aforesaid claims) is then compared with the value offered to such classes of claims and equity interests under the plan. The Debtors believe that under the Plan all Holders of impaired Claims and Interests will receive property with a value not less than the value such Holder would receive in a liquidation under chapter 7 of the Bankruptcy Code. Attached hereto as **Exhibit D** and incorporated herein by reference is a

[29] The Confirmation Hearing date is subject to a 14-day extension if the Debtors are implementing the Toggle Restructuring.

liquidation analysis (the "Liquidation Analysis") that the Debtors prepared with the assistance of their relevant advisors. As reflected in the Liquidation Analysis, the Debtors believe that liquidation of the Debtors' businesses under chapter 7 of the Bankruptcy Code would result in substantial diminution in the value to Holders of Claims or Interests as compared to distributions contemplated under the Plan. Consequently, the Debtors and their management believe that Confirmation of the Plan will provide a substantially greater return to Holders of Claims or Interests than would a liquidation under chapter 7 of the Bankruptcy Code.

Sale proceeds in chapter 7 would likely be significantly lower particularly in light of the highly unique nature of the Debtors' assets, the time delay associated with the chapter 7 trustee's learning curve for these assets, and any upcoming lease expirations associated with the Debtors' properties. Recoveries would be further reduced (in comparison with the Plan) due to the expenses that would be incurred in a chapter 7 liquidation, including added expenses for wind down costs and costs associated with the chapter 7 trustee and any retained professionals in familiarizing themselves with the Debtors' specialized assets, and these specific Chapter 11 Cases in order to complete the administration of the Estate. *See, e.g.*, 11 U.S.C. § 326(a) (providing for compensation of a chapter 7 trustee up to three percent of the value of the assets); 11 U.S.C. 503(b)(2) (providing administrative expense status for compensation and expenses of a chapter 7 trustee and such trustee's professionals). Accordingly, the Debtors believe that a chapter 11 liquidation would not result in distributions as favorable as those under the Plan.

D. Feasibility

Section 1129(a)(11) of the Bankruptcy Code requires that neither liquidation nor the need for further financial restructuring of the debtor (unless such liquidation or reorganization is proposed in such plan of reorganization) is likely to follow confirmation of a plan of reorganization. The Debtors, with the assistance of their relevant advisors, have analyzed their ability to meet their respective obligations under the Plan to determine whether the Plan meets this feasibility requirement. As part of this analysis, the Debtors have prepared their projected consolidated balance sheet, income statement, and statement of cash flows (the "Financial Projections"). Creditors and other interested parties should review Article X of this Disclosure Statement entitled "Risk Factors" for a discussion of certain factors that may affect the future financial performance of the Reorganized Debtors.

The Financial Projections are attached hereto as **Exhibit E** and incorporated by reference herein. Based upon the Financial Projections, the Debtors believe that they will be a viable operation following the Chapter 11 Cases and that the Plan will meet the feasibility requirements of the Bankruptcy Code.

E. Acceptance by Impaired Classes

The Bankruptcy Code requires, as a condition to confirmation, except as described in the following section, that each class of Claims or equity interests impaired under a plan, accept the plan. A class that is not "impaired" under a plan is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to such a class is not required.[30]

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired Claims as acceptance by Holders of at least two-thirds in dollar amount and more than one-half in a number of

[30] A class of claims is "impaired" within the meaning of section 1124 of the Bankruptcy Code unless the plan (a) leaves unaltered the legal, equitable and contractual rights to which the claim or equity interest entitles the holder of such claim or equity interest or (b) cures any default, reinstates the original terms of such obligation, compensates the holder for certain damages or losses, as applicable, and does not otherwise alter the legal, equitable, or contractual rights to which such claim or equity interest entitles the holder of such claim or equity interest.

Allowed Claims in that class, counting only those Claims that have *actually* voted to accept or to reject the plan. Thus, a class of Claims will have voted to accept the Plan only if two-thirds in amount and a majority in number of the Allowed Claims in such class that vote on the Plan actually cast their ballots in favor of acceptance.

Section 1126(d) of the Bankruptcy Code defines acceptance of a plan by a class of impaired equity interests as acceptance by Holders of at least two-thirds in amount of Allowed interests in that class, counting only those interests that have *actually* voted to accept or to reject the plan. Thus, a Class of Interests will have voted to accept the Plan only if two-thirds in amount of the Allowed Interests in such class that vote on the Plan actually cast their ballots in favor of acceptance.

If a Class contains Holders of Claims or Interests eligible to vote and no Holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the Plan shall be presumed accepted by the Holders of such Claims or Interests in such class.

F. Confirmation without Acceptance by All Impaired Classes

Section 1129(b) of the Bankruptcy Code allows a bankruptcy court to confirm a plan even if all impaired classes have not accepted it; *provided* that the plan has been accepted by at least one impaired class. Pursuant to section 1129(b) of the Bankruptcy Code, notwithstanding an impaired class's rejection or deemed rejection of the plan, the plan will be confirmed, at the plan proponent's request, in a procedure commonly known as a "cramdown" so long as the plan does not "discriminate unfairly" and is "fair and equitable" with respect to each class of Claims or equity interests that is impaired under, and has not accepted, the plan.

If any Impaired Class rejects the Plan, the Debtors reserve the right to seek to confirm the Plan utilizing the "cramdown" provision of section 1129(b) of the Bankruptcy Code. To the extent that any Impaired Class rejects the Plan or is deemed to have rejected the Plan, the Debtors may request Confirmation of the Plan, as it may be modified from time to time, under section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to alter, amend, modify, revoke, or withdraw the Plan or any Plan Supplement document, including the right to amend or modify the Plan or any Plan Supplement document to satisfy the requirements of section 1129(b) of the Bankruptcy Code.

1. No Unfair Discrimination

The "unfair discrimination" test applies to classes of Claims or interests that are of equal priority and are receiving different treatment under a plan. The test does not require that the treatment be the same or equivalent, but that treatment be "fair." In general, bankruptcy courts consider whether a plan discriminates unfairly in its treatment of classes of Claims or interests of equal rank (*e.g.*, classes of the same legal character). Bankruptcy courts will take into account a number of factors in determining whether a plan discriminates unfairly. A plan could treat two classes of unsecured creditors differently without unfairly discriminating against either class.

2. Fair and Equitable Test

The "fair and equitable" test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirement that no class of Claims receive more than 100 percent of the amount of the Allowed Claims in the class. As to the dissenting class, the test sets different standards depending upon the type of Claims or equity interests in the class.

The Debtors submit that if the Debtors "cramdown" the Plan pursuant to section 1129(b) of the

Bankruptcy Code, the Plan is structured so that it does not "discriminate unfairly" and satisfies the "fair and equitable" requirement. With respect to the unfair discrimination requirement, all Classes under the Plan are provided treatment that is substantially equivalent to the treatment that is provided to other Classes that have equal rank. With respect to the fair and equitable requirement, no Class under the Plan will receive more than 100 percent of the amount of Allowed Claims or Interests in that Class. The Debtors believe that the Plan and the treatment of all Classes of Claims or Interests under the Plan satisfy the foregoing requirements for nonconsensual Confirmation of the Plan.

IX. RISK FACTORS

Holders of Claims and Interests should read and consider carefully the risk factors set forth below before voting to accept or reject the Plan. Although there are many risk factors discussed below, these factors should not be regarded as constituting the only risks present in connection with the Debtors' businesses or the Plan and its implementation.

A. Bankruptcy Law Considerations

Although the Debtors believe that these Chapter 11 Cases will be relatively short in duration and will not be materially disruptive to their business, the Debtors cannot be certain that this will be the case. The Restructuring Support Agreement, Plan, and bidding process are designed to minimize the length of these Chapter 11 Cases. However, it is impossible to predict with certainty the amount of time that one or more of the Debtors may spend in bankruptcy or to assure parties in interest that the Plan will be confirmed.

The occurrence or non-occurrence of any or all of the following contingencies and any others could affect distributions available to Holders of Allowed Claims and Interests under the Plan but will not necessarily affect the validity of the vote of the Impaired Classes to accept or reject the Plan or necessarily require a re-solicitation of the votes of Holders of Claims and Interests in such Impaired Classes.

1. Parties in Interest May Object to the Plan's Classification of Claims and Interests

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an equity interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. The Debtors believe that the classification of the Claims and Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because the Classes of Claims and Interests each encompass Claims or Interests that are substantially similar to the other Claims or Interests in the particular Class. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

2. The Conditions Precedent to the Effective Date of the Plan May Not Occur

Article IX of the Plan contains the conditions precedent for the Plan's Effective Date. If such conditions precedent are not waived or not met, the Effective Date will not take place.

3. The Debtors May Fail to Satisfy Vote Requirements

If votes are received in number and amount sufficient to enable the Bankruptcy Court to confirm the Plan, the Debtors intend to seek Confirmation of the Plan as promptly as practicable thereafter. However, if sufficient votes are not received, the Debtors may seek to confirm an alternative chapter 11 plan or transaction. There can be no assurance that the terms of any such alternative chapter 11 plan or other transaction would be similar or as favorable to the Holders of Interests and Claims as those proposed in the Plan and the Debtors do not believe that any such transaction exists or is likely to exist that would be more beneficial to the Estates than the Plan.

4. The Debtors May Not Be Able to Secure Confirmation of the Plan

Section 1129 of the Bankruptcy Code sets forth the requirements for confirmation of a chapter 11 plan and requires, among other things, the Bankruptcy Court to find that (a) such plan "does not unfairly discriminate" and is "fair and equitable" with respect to any non-accepting classes, (b) a liquidation or a need for further financial reorganization does not follow confirmation of such plan unless such liquidation or reorganization is contemplated in the plan, and (c) the value of distributions to non-accepting holders of claims and equity interests within a particular class under such plan will not be less than the value of distributions such holders would receive if the debtors were liquidated under chapter 7 of the Bankruptcy Code.

There can be no assurance that the requisite acceptances to confirm the Plan will be received. And if the requisite acceptances are received, there can be no assurance that the Bankruptcy Court will confirm the Plan. A non-accepting Holder of a Claim or Interest might challenge the treatment of its Claims or Interests under the Plan or specific provisions in the Plan. If the Bankruptcy Court disagrees with those challenges, the Bankruptcy Court could still decline to confirm the Plan if it finds that any of the statutory requirements for Confirmation are not met. It is unclear whether the Debtors will be able to reorganize their business and what, if anything, Holders of Allowed Claims and Interests against them would ultimately receive on account of such Allowed Claims and Interests if the Bankruptcy Court does not confirm the Plan.

Holders of Existing Preferred Equity Interests may object to confirmation of the Plan on the grounds that under certain scenarios, Holders of Existing Common Equity Interests will receive a recovery before Holders of Existing Preferred Equity Interests are paid in full, thus violating the Bankruptcy Code's "absolute priority rule." Specifically, if both Class 10 and Class 11 vote in favor of the Plan, each Holder of Existing Common Equity Interests will receive Cash or, if eligible, New Common Equity under the Plan. The absolute priority rule generally requires that senior stakeholders be paid in full before junior stakeholder receive a recovery. The Debtors, however, believe that this argument is misplaced and that the Plan satisfies the Bankruptcy Code's confirmation requirements because Existing Common Equity Interests only receive a recovery under the Plan if Class 10 (Existing Preferred Equity Interests) votes to accept the Plan. If either Class 10 or Class 11 rejects the Plan, Holders of Existing Common Equity Interests will not recover any amounts unless Holders of Existing Preferred Equity Holders are paid in full.

The Debtors, subject to the terms and conditions of the Plan, reserve the right to modify the Plan as necessary for Confirmation. Any such modifications could result in less favorable treatment of any non-accepting class of Claims or Interests as well as any class junior to such non-accepting class than the treatment currently provided in the Plan. Such a less favorable treatment could include a distribution of property with a lesser value than currently provided in the Plan or no distribution whatsoever under the Plan.

5. Nonconsensual Confirmation

If any impaired class of claims or interests does not accept a chapter 11 plan, a bankruptcy court may nevertheless confirm a plan at the proponents' request if at least one impaired class (as defined under section 1124 of the Bankruptcy Code) has accepted the plan (with such acceptance being determined without including the vote of any "insider" in such class), and, as to each impaired class that has not accepted the plan, the bankruptcy court determines that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting impaired class(es). The Debtors believe that the Plan satisfies these requirements, and the Debtors may request such nonconsensual Confirmation in accordance with subsection 1129(b) of the Bankruptcy Code. The pursuit of nonconsensual Confirmation or Consummation of the Plan may result in, among other things, increased expenses relating to professional compensation and delays in the confirmation schedule set forth Article II of this Disclosure Statement. Notwithstanding such efforts, there can be no assurance that the Bankruptcy Court will reach the conclusion

that the Plan is fair and equitable or does not unfairly discriminate against a dissenting impaired class.

6. Continued Risk upon Confirmation

Even if the Plan is consummated, the Debtors will continue to face a number of risks, including certain risks that are beyond their control, such as further deterioration or other changes in economic conditions, changes in the industry, prolonged continuation of the COVID-19 pandemic, potential revaluing of their assets due to chapter 11 proceedings, changes in demand for retail real estate rental property, and increase in expenses. *See* Article X.C of this Disclosure Statement entitled "Risks Related to the Debtors' and the Reorganized Debtors' Businesses." Some of these concerns and effects typically become more acute when a case under the Bankruptcy Code continues for a protracted period without indication of how or when the case may be completed. As a result of these risks and others, there is no guarantee that a chapter 11 plan of reorganization reflecting the Plan will achieve the Debtors' stated goals.

In addition, at the outset of the Chapter 11 Cases, the Bankruptcy Code provides the Debtors with the exclusive right to propose the Plan and prohibits creditors and others from proposing a plan. The Debtors currently have the exclusive right to propose the Plan. However, if the Bankruptcy Court terminates that right or the exclusivity period expires, there could be a material adverse effect on the Debtors' ability to achieve confirmation of the Plan or to achieve the Debtors' stated goals.

Furthermore, even if the Debtors' debts are reduced and/or discharged through the Plan, the Debtors may need to raise additional funds through public or private debt or equity financing or other various means to fund the Debtors' businesses after the Chapter 11 Cases have concluded. Adequate funds may not be available when needed or may not be available on favorable terms.

7. The Chapter 11 Cases May Be Converted to Cases under Chapter 7 of the Bankruptcy Code

If the Bankruptcy Court finds that it would be in the best interest of creditors and/or the debtor in a chapter 11 case, the Bankruptcy Court may convert a chapter 11 bankruptcy case to a case under chapter 7 of the Bankruptcy Code. In such event, a chapter 7 trustee would be appointed or elected to liquidate such debtor's assets for distribution in accordance with the priorities set forth in the Bankruptcy Code. The Debtors believe that liquidation under chapter 7 would result in significantly smaller distributions being made to creditors than those provided for in a chapter 11 plan because of (a) the likelihood that the assets would have to be sold or otherwise disposed of in a disorderly fashion over a short period of time rather than reorganizing the business in a controlled manner, (b) additional administrative expenses involved in the appointment of a chapter 7 trustee, and (c) additional expenses and Claims, some of which would be entitled to priority, that would be generated during the liquidation, including Claims resulting from the rejection of Unexpired Leases and Executory Contracts in connection with cessation of operations.

8. One or More of the Chapter 11 Cases May be Dismissed

If the Bankruptcy Court finds that the Debtors have incurred substantial or continuing loss or diminution to the estate and lack of a reasonable likelihood of rehabilitation of the Debtors or the ability to effectuate substantial consummation of a confirmed plan or otherwise determines that cause exists, the Bankruptcy Court may dismiss one or more of the Chapter 11 Cases. In such event, the Debtors would be unable to confirm the Plan with respect to the applicable Debtor or Debtors, which may ultimately result in significantly smaller distributions to creditors than those provided for in the Plan.

9. The Debtors May Object to the Amount or Classification of a Claim or Interest

Except as otherwise provided in the Plan, the Debtors reserve the right to object to the amount or classification of any Claim or Interest under the Plan. Any Holder of a Claim or Interest where such Claim or Interest is subject to an objection cannot rely on the estimates in the Disclosure Statements. As a result, any Holder of a Claim or Interest that is subject to an objection may not receive its expected share of the estimated distributions described in this Disclosure Statement.

10. Risk of Non-Occurrence of the Effective Date

Although the Debtors believe that the Effective Date will occur after the Confirmation Date, there can be no assurance as to the timing or as to whether the Effective Date will, in fact, occur.

11. Existing Common Equity Interests May Not Receive Any Recovery Under the Plan

The recovery provided under the Plan to Holders of Class 11 Existing Common Equity Interests depends on the voting results of both Class 10 and Class 11. In certain circumstances, Existing Common Equity Interests will not receive any recovery under the Plan.

Under the Equitization Restructuring if either Class 10 or Class 11 votes to reject the Plan, Holders of Existing Common Equity Interests will not receive any distribution under the Plan. Under the Toggle Restructuring, if either Class 10 or Class 11 votes to reject the Plan, Holders of Existing Common Equity Interests shall receive such Holder's Pro Rata share of the Toggle Restructuring Distributable Proceeds pursuant to the Toggle Restructuring Equity Waterfall Distribution. As provided under the Plan, the Toggle Restructuring Equity Waterfall Distribution requires that each Holder of Existing Preferred Equity Interests is paid in full up to its Liquidation Preference before Holders of Existing Common Equity Interests receive any recovery under the Plan.

12. Releases, Injunctions, and Exculpations Provisions May Not Be Approved

Article VIII of the Plan provides for certain releases, injunctions, and exculpations, including a release of liens and third-party releases that may otherwise be asserted against the Debtors, Reorganized Debtors, or Released Parties, as applicable. Parties in interest may object to the release, injunction, and exculpation provisions in the Plan, and such provisions may not be approved. If the releases are not approved, certain Released Parties may withdraw their support for the Plan.

The releases provided to the Released Parties and the exculpation provided to the Exculpated Parties are necessary to the success of the Debtors' reorganization because the Released Parties and Exculpated Parties have made significant contributions to the Debtors' reorganizational efforts and have agreed to make further contributions. For example, certain Exculpated Parties and Released Parties have forgone the right to receive payment in full in Cash on account of their Claims in an Equitization Restructuring scenario and have consented to provide junior stakeholders a greater recovery than what they would otherwise be entitled to under the Bankruptcy Code. Such consideration is available for reasons that include such parties' ability to receive the full benefit of the Plan's release and exculpation provisions. As a result, the releases and exculpation are inextricable components of the Plan.

13. Risk of Termination of the Restructuring Support Agreement

The Restructuring Support Agreement contains certain provisions that give the parties the ability to terminate the Restructuring Support Agreement upon the occurrence of certain events. Termination of the Restructuring Support Agreement could result in protracted Chapter 11 Cases, which could significantly and detrimentally impact the Company's relationships with stakeholders, vendors, suppliers, employees,

and tenants. If the Restructuring Support Agreement is terminated, the Consenting Stakeholders' consent or vote prior to such termination will be deemed null and void from the first instance.

14. An Acceptable Alternative Restructuring Proposal May Not Be Obtained on the Requisite Terms Set Forth in the Restructuring Support Agreement and Plan

It is possible that the Debtors may not be able to obtain an Acceptable Alternative Restructuring Proposal during the marketing and bidding process on the conditions set forth in the Plan, which would require the Debtors to implement the Equitization Restructuring. If the Debtors were able to obtain an Acceptable Alternative Restructuring Proposal, it is also possible that the Debtors will not be able to achieve closing prior to the September 10, 2021, as required under the Restructuring Support Agreement. Further, it is also possible that the Debtors might not be able to satisfy the conditions for closing an Acceptable Alternative Restructuring Proposal in accordance with the terms thereof. Failure to close an Acceptable Alternative Restructuring Proposal that has been obtained consistent with the Plan may not result in the Debtors' ability to pursue the Equitization Restructuring if the Acceptable Alternative Restructuring Proposal cannot be closed or otherwise implemented and a Toggle Election Notice has been provided to the Plan Sponsors. In such circumstances, the Debtors may need to propose an alternative chapter 11 plan, which could result in creditors and equity holders receiving less in distributions compared to the current Plan. Additionally, and as described herein, if the Debtors are unable to effectuate either the Equitization Restructuring or the Toggle Restructuring, the Debtors shall be responsible for payment of the Backstop Termination Premium which could further diminish recoveries to the Debtors' creditors and equity holders.

B. Risks Related to Recoveries Under the Plan

1. The Reorganized Debtors May Not Be Able to Achieve their Projected Financial Results

The Reorganized Debtors may not be able to achieve their projected financial results. The Financial Projections set forth in this Disclosure Statement represent the Debtors' management team's best estimate of the Debtors' future financial performance, which is necessarily based on certain assumptions regarding the anticipated future performance of the Reorganized Debtors' operations and the retail real estate sector in which the Debtors operate in particular. Although the Debtors believe that the Financial Projections contained in this Disclosure Statement are reasonable, there can be no assurance that they will be realized. If the Debtors do not achieve their projected financial results, the value of the New Common Equity may be negatively affected and the Debtors may lack sufficient liquidity to continue operating as planned after the Effective Date. Moreover, the financial condition and results of the Reorganized Debtors' operations from and after the Effective Date may not be comparable to the financial condition or results of operations reflected in the Debtors' historical financial statements.

2. The Debtors Do Not Intend to Offer to Register or to Exchange the New Common Equity or the Equity Rights in a Registered Exchange Offer

Neither the New Common Equity nor the Equity Rights will be registered under the Securities Act or any state securities laws and, subject to the discussion below and the discussion in Article XI of this Disclosure Statement entitled "Certain Securities Laws Matters," unless so registered, may not be re-offered or re-sold except pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws. The Debtors do not intend to register the New Common Equity and the Equity Rights under the Securities Act or to offer to exchange the New Common Equity or the Equity Rights in an exchange offer registered under the Securities Act. As a result, the New Common Equity and the Equity Rights may be transferred or re-sold only in transactions exempt from the securities registration requirements of federal and applicable state laws. In addition, the Reorganized Debtors will not be subject

to the reporting requirements of the Securities Act, and Holders of the New Common Equity and the Equity Rights will not be entitled to any information except as expressly required in the applicable New Governance Documents.

If shares of the New Common Equity and Equity Rights issued under the Plan are covered pursuant to section 1145(a)(1) of the Bankruptcy Code, such securities may be resold by the Holders thereof without registration under the Securities Act unless the Holder is an "underwriter," as defined in section 1145(b) of the Bankruptcy Code with respect to such securities; provided, however, shares of such securities will not be freely tradeable if, at the time of transfer, the Holder is an "affiliate" of the Reorganized Debtors as defined in Rule 144(a)(1) under the Securities Act or had been such an "affiliate" within 90 days of such transfer. Such affiliate Holders would only be permitted to sell such securities without registration if they are able to comply with an applicable exemption from registration, including Rule 144 under the Securities Act. Resales by Holders of Claims who receive New Common Equity pursuant to the Plan that are deemed to be "underwriters" would not be exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or applicable law. Such Holders would only be permitted to sell such securities without registration if they are able to comply with an applicable exemption from registration, including Rule 144 under the Securities Act.

The New Common Equity will not be registered under the Securities Act or any state securities laws, and the Debtors make no representation regarding the right of any holder of New Common Equity to freely resell the New Common Equity. See Article XI to this Disclosure Statement entitled "Certain Securities Law Matters."

The Equity Rights will not be separately transferable or detachable from the Unsecured Notes Claims and may only be transferred together with the applicable Unsecured Notes Claims. Any Unsecured Notes Claim traded after the Subscription Tender Deadline will not be traded with the Equity Rights, which shall have lapsed.

3. The Trading Price for the Shares of New Common Equity May Be Depressed Following the Effective Date

The New Common Equity (including any shares of New Common Equity issuable upon the exercise of the Equity Rights) will be a new issuance of Securities, and there is no established trading market for those Securities. The Debtors do not intend to apply for the New Common Equity to be listed on any securities exchange or to arrange for quotation on any automated dealer quotation system. You may not be able to sell your New Common Equity at a particular time or at favorable prices. As a result, the Debtors cannot assure you as to the liquidity of any trading market for the New Common Equity. Accordingly, you may be required to bear the financial risk of your ownership of the New Common Equity indefinitely. If a trading market were to develop, future trading prices of the New Common Equity may be volatile and will depend on many factors, including the following: (a) the Reorganized Debtors' operating performance and financial condition; (b) the interest of securities dealers in making a market for them; and (c) the market for similar Securities. Further, the Equity Rights will not be transferable except in certain limited circumstances.

4. The Debtors Could Modify the Equity Rights Offering Procedures

The Debtors may modify the Equity Rights Offering Procedures to, among other things, include additional procedures, as needed, to administer the Equity Rights Offering and comply with applicable law. Such modifications may adversely affect the rights of Equity Rights Offering Participants.

5. Certain Significant Holders of Shares of New Common Equity May Have Substantial Influence Over the Reorganized Debtors Following the Effective Date

Assuming that the Effective Date occurs, Holders of Claims and Interests who receive distributions representing a substantial percentage of the outstanding shares of the New Common Equity may be in a position to influence matters requiring approval from the Holders of shares of New Common Equity, including, among other things, the election of directors and the approval of a change of control of the Reorganized Debtors. The Holders may have interests that differ from those of the other holders of shares of New Common Equity and may vote in a manner adverse to the interests of other holders of shares of New Common Equity. This concentration of ownership may facilitate or may delay, prevent, or deter a change of control of the Reorganized Debtors and consequently impact the value of the shares of New Common Equity. In addition, a Holder of a significant number of shares of New Common Equity may sell all or a large portion of its shares of New Common Equity within a short period of time, which sale may adversely affect the trading price of the shares of New Common Equity. A Holder of a significant number of shares of New Common Equity may, on its own account, pursue acquisition opportunities that may be complementary to the Reorganized Debtors' business, and as a result, such acquisition opportunities may be unavailable to the Reorganized Debtors. Such actions by Holders of a significant number of shares of New Common Equity may have a material adverse impact on the Reorganized Debtors' business, financial condition, and operating results.

6. Issuance of New Common Equity Pursuant to the Management Incentive Plan May Dilute Holdings of New Common Equity

The Plan provides for potential issuance of New Common Equity pursuant to the Management Incentive Plan, which will permit recipients under such plan to acquire shares of New Common Equity. Issuance of New Common Equity pursuant to the Management Incentive Plan would have a dilutive effect on the New Common Equity issued pursuant to the Plan. In addition, the Reorganized Debtors could issue shares or obtain additional equity financing in the future similar to other companies, which could adversely affect the value of the New Common Equity issuable upon such conversion. The amount and dilutive effect of any of the foregoing could be material.

7. Equity Interests Subordinated to Reorganized Debtors' Indebtedness

Certain Holders of Claims and Interests may receive New Common Equity under specified conditions under the Plan. In any subsequent liquidation, dissolution, or winding up of the Reorganized Debtors, the New Common Equity would rank below all debt claims against the Reorganized Debtors, including the New Term Loan Exit Facility. As a result, recipients of New Common Equity will not be entitled to receive any payment or other distribution of assets upon the liquidation, dissolution, or winding up of the Reorganized Debtors until after all the Reorganized Debtors' obligations to their debt holders have been satisfied.

8. Certain Tax Implications of the Plan

Holders of Allowed Claims should carefully review Article XI of this Disclosure Statement, entitled "Subscription rights to participate in the Equity Rights Offering shall be distributed to the holders of Unsecured Notes Claims and the Backstop Parties in accordance with the Plan and the issuance of such subscription rights is expected to be exempt from SEC registration under applicable law. The Equity Rights (and any shares of New Common Equity issuable upon the exercise thereof other than the shares of New Common Equity issued to the Backstop Parties pursuant to the Backstop Commitment Agreement) will be issued in reliance upon section 1145 of the Bankruptcy Code to the extent permitted under applicable law. The shares of New Common Equity issued to the Backstop Parties pursuant to the Backstop Commitment

Agreement will be issued in reliance upon section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder. All shares of New Common Equity issued pursuant to the exemption from registration set forth in section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder will be considered "restricted securities" and may not be transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom.

The Debtors believe that the securities issued in the Equity Rights Offering satisfy all the requirements of section 1145(a)(1) of the Bankruptcy Code and are, therefore, exempt from registration under the Securities Act and state securities laws (except with respect to an underwriter as described above).

On the Effective Date, Reorganized WPG will consummate the Equity Rights Offering. Unless otherwise expressly allowed in the Equity Rights Offering or Equity Rights Offering Procedures, the right to participate in the Equity Rights Offering may not be sold, transferred, or assigned.

Certain United States Federal Income Tax Consequences of the Plan," to determine how the tax implications of the Plan and the Chapter 11 Cases may adversely affect the Reorganized Debtors and Holders of certain Claims.

9. The Debtors May Not Be Able to Accurately Report Their Financial Results

The Debtors have established internal controls over financial reporting. However, internal controls over financial reporting may not prevent or detect misstatements or omissions in the Debtors' financial statements because of their inherent limitations, including the possibility of human error, and the circumvention or overriding of controls or fraud. Therefore, even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If the Debtors fail to maintain the adequacy of their internal controls, the Debtors may be unable to provide financial information in a timely and reliable manner within the time periods required for the Debtors' financial reporting under SEC rules and regulations to the extent applicable and the terms of the agreements governing the Debtors' indebtedness. Any such difficulties or failure could materially adversely affect the Debtors' business, results of operations, and financial condition. Further, the Debtors may discover other internal control deficiencies in the future and/or fail to adequately correct previously identified control deficiencies, which could materially adversely affect the Debtors' businesses, results of operations, and financial condition.

10. Contingencies Could Affect Allowed Claims Classes

The distributions available to Holders of Allowed Claims under the Plan can be affected by a variety of contingencies, including, without limitation, whether the Bankruptcy Court orders certain Allowed Claims to be subordinated to other Allowed Claims.

The estimated Claims and creditor recoveries set forth in this Disclosure Statement are based on various assumptions, and the actual Allowed amounts of Claims may significantly differ from the estimates. Should one or more of the underlying assumptions ultimately prove to be incorrect, the actual Allowed amounts of Claims may vary from the estimated Claims contained in this Disclosure Statement. Moreover, the Debtors cannot determine with any certainty at this time the number or amount of Claims that will ultimately be Allowed. Such differences may materially and adversely affect, among other things, the percentage recoveries to Holders of Allowed Claims under the Plan.

C. Risks Related to the Debtors' and the Reorganized Debtors' Businesses

1. The Reorganized Debtors May Not Be Able to Generate Sufficient Cash to Service All of Their Indebtedness

The Reorganized Debtors' ability to make scheduled payments on or refinance their debt obligations, depends on the Reorganized Debtors' financial condition and operating performance, which are subject to prevailing economic, industry, and competitive conditions and to certain financial, business, legislative, regulatory, and other factors beyond the Reorganized Debtors' control. The Reorganized Debtors may be unable to maintain a level of cash flow from operating activities sufficient to permit them to pay the principal, premium, if any, and interest on their indebtedness upon emergence.

2. Considerations Related to the Collateral Securing the Exit Credit Facility

The indebtedness under the Exit Credit Facility will be secured, subject to certain exceptions and permitted liens, on a first-priority basis by direct or indirect security interests in certain of the Reorganized Debtors' assets (the "Exit Facility Collateral"). It cannot be assured that the proceeds from a sale of the Exit Facility Collateral would be sufficient to repay holders of the securities under the Exit Credit Facility all amounts owed under them. The fair market value of the Exit Facility Collateral is subject to fluctuations based on factors that include, among others, the ability to sell Exit Facility Collateral in an orderly manner, general economic conditions, the availability of buyers, the Reorganized Debtors' failure or success to implement their business strategy, and similar factors. The amount received upon a sale of Exit Facility Collateral would be dependent on numerous factors, including the actual fair market value of the Exit Facility Collateral at such time and the timing and manner of the sale. Further, by its nature, portions of the Exit Facility Collateral may be illiquid and may have no readily ascertainable market value. As such, there can also be no assurance that the Exit Facility Collateral will be saleable, and, even if saleable, the timing of its liquidation would be uncertain. Accordingly, there may not be sufficient collateral to pay all or any of the amounts due on the Exit Credit Facility.

3. Post-Chapter 11 Indebtedness

Although the Reorganized Debtors will have less indebtedness than the Debtors, the Reorganized Debtors may still have substantial indebtedness in the event that an Equitization Restructuring is implemented under the Plan. Specifically, the Reorganized Debtors will have approximately $1,212 million in secured indebtedness under the Exit Credit Facility as of the Effective Date. The amount of the Reorganized Debtors' indebtedness could have important consequences because it could affect the Reorganized Debtors' business, operating results, cash flows, and financial condition, including their ability to satisfy their obligations thereunder, raise additional capital through the issuance of additional debt or equity securities, engage in acquisitions or other business development activities, fund working capital, capital expenditures and other corporate spending, respond to general and industry-specific adverse economic conditions, and compete with competitors that are less leveraged.

4. The Debtors Will Be Subject to the Risks and Uncertainties Associated with the Chapter 11 Cases

For the duration of the Chapter 11 Cases, the Debtors' ability to operate, develop, and execute a business plan and continue as a going concern will be subject to the risks and uncertainties associated with bankruptcy. These risks include the following: (a) ability to develop, confirm, and consummate the Restructuring Transactions specified in the Plan; (b) ability to obtain Court approval with respect to motions filed in the Chapter 11 Cases from time to time; (c) ability to maintain relationships with suppliers, vendors, service providers, joint venture partners, tenants, employees, and other third parties; (d) ability to maintain contracts that are critical to the Debtors' operations; (e) ability of third parties to seek and obtain Bankruptcy

Court approval to terminate contracts and other agreements with the Debtors; (f) ability of third parties to seek and obtain Bankruptcy Court approval to terminate or shorten the exclusivity period for the Debtors to propose and confirm a chapter 11 plan, to appoint a chapter 11 trustee, or to convert the Chapter 11 Cases to chapter 7 proceedings; and (g) the actions and decisions of the Debtors' creditors and other third parties who have interests in the Chapter 11 Cases that may be inconsistent with the Debtors' plans.

These risks and uncertainties could affect the Debtors' businesses and operations in various ways. For example, negative events associated with the Chapter 11 Cases could adversely affect the Debtors' relationships with retail lessees, service providers, joint venture partners, customers, employees, and other third parties, which in turn could adversely affect the Debtors' operations and financial condition. Also, the Debtors will need the prior approval of the Bankruptcy Court for transactions outside the ordinary course of business, which may limit the Debtors' ability to respond timely to certain events or take advantage of certain opportunities. Because of the risks and uncertainties associated with the Chapter 11 Cases, the Debtors cannot accurately predict or quantify the ultimate impact of events that occur during the Chapter 11 Cases that may be inconsistent with the Debtors' plans.

5. Financial Results May Be Volatile and May Not Reflect Historical Trends

The Financial Projections attached hereto as **Exhibit E** are based on assumptions that are an integral part of the projections, including Confirmation and Consummation of the Plan in accordance with its terms, the anticipated future performance of the Debtors, industry performance, general business and economic conditions, and other matters, many of which are beyond the control of the Debtors and some or all of which may not materialize.

In addition, unanticipated events and circumstances occurring after the date hereof may affect the actual financial results of the Debtors' operations. These variations may be material and may adversely affect the value of the New Exit Facility and New Common Equity and the ability of the Debtors to make payments with respect to their indebtedness. Because the actual results achieved may vary from projected results, perhaps significantly, the Financial Projections should not be relied upon as a guarantee or other assurance of the actual results that will occur.

Further, during the Chapter 11 Cases, the Debtors financial results may be volatile as restructuring activities and expenses, contract terminations and rejections, and Claims assessments significantly impact the Debtors' consolidated financial statements. As a result, the Debtors' historical financial performance likely will not be indicative of their financial performance after the Petition Date. In addition, if the Debtors emerge from the Chapter 11 Cases, the amounts reported in subsequent consolidated financial statements may materially change relative to historical consolidated financial statements, including as a result of revisions to the Debtors' operating plans pursuant to a plan of reorganization. The Debtors also may be required to adopt fresh start accounting, in which case their assets and liabilities will be recorded at fair value as of the fresh start reporting date, which may differ materially from the recorded values of assets and liabilities on the Debtors' consolidated balance sheets. The Debtors' financial results after the application of fresh start accounting also may be different from historical trends.

Lastly, the Debtors, with the assistance of their relevant advisors, developed the business plan. There can be no assurances that the Debtors' business plan will not change, perhaps materially, as a result of decisions that the board of directors may make after fully evaluating the strategic direction of the Debtors and their business plan. Any deviations from the Debtors' existing business plan would necessarily cause a deviation.

6. The Debtors' Substantial Liquidity Needs May Impact Revenue

The Debtors' business requires sufficient liquidity to ensure that the Debtors' properties and operations are maintained. If the Debtors' cash flow from operations remains depressed or decreases, the Debtors may not have the ability to expend the capital necessary to improve or maintain their current operations, resulting in decreased revenues over time.

The Debtors face uncertainty regarding the adequacy of their liquidity and capital resources. In addition to the Cash necessary to fund ongoing operations, the Debtors have incurred significant Professional fees and other costs in connection with the Chapter 11 Cases and expect to continue to incur significant Professional fees and costs throughout the remainder of the Chapter 11 Cases. The Debtors cannot guarantee that Cash on hand, cash flow from operations, and Cash provided by the DIP Facility will be sufficient to continue to fund their operations and allow the Debtors to satisfy obligations related to the Chapter 11 Cases until the Debtors are able to emerge from bankruptcy protection.

The Debtors' liquidity, including the ability to meet ongoing operational obligations, will be dependent upon, among other things: (a) their ability to comply with the terms and condition of the DIP Order; (b) their ability to maintain adequate Cash on hand; (c) their ability to develop, confirm, and consummate the Plan or other alternative restructuring transaction; and (d) the cost, duration, and outcome of the Chapter 11 Cases. The Debtors' ability to maintain adequate liquidity depends, in part, upon industry conditions and general economic, financial, competitive, regulatory, and other factors beyond the Debtors' control. In the event that Cash on hand, cash flow from operations, and Cash provided under the DIP Facility are not sufficient to meet the Debtors' liquidity needs, the Debtors may be required to seek additional financing. The Debtors can provide no assurance that additional financing would be available or, if available, offered to the Debtors on acceptable terms. The Debtors' access to additional financing is, and for the foreseeable future likely will continue to be, extremely limited if it is available at all. The Debtors' long-term liquidity requirements and the adequacy of their capital resources are difficult to predict at this time.

7. Defaults in Mortgage Debt

The commencement of the Chapter 11 Cases and the filing of the Debtors constituted a default, an event of default or termination event under certain Mortgage Loans. Such Mortgage Loans and documents related thereto provide that, as a result of the Chapter 11 Cases, the principal and interest due thereunder shall be due and payable subject to the terms of the documentation. Although the Company entered into Mortgage Forbearance Agreements on certain of its outstanding Mortgage Loans, lenders under such Mortgage Loans may exercise remedies relating to such default (including foreclosure on the collateral securing such property level debt) at the expiration of the negotiated forbearance period to the extent the applicable default has not been cured or waived in accordance with the corresponding Mortgage Loan documentation, including the applicable forbearance agreement. The Debtors have and continue to seek forbearance agreements and maturity extensions from other Mortgage Loan lenders as necessary, however, there is no guarantee that such extensions, forbearances or waivers will be granted. If the lenders under such loans do not grant waivers and exercise remedies relating to such potential defaults (including foreclosure on the collateral securing such Mortgage Loan), then it cannot be assured that there will be any proceeds remaining after the sale or liquidation of the collateral securing such Mortgage Loan or that the proceeds of such sale or liquidation of the collateral securing such property level debt will be sufficient to pay off the respective Mortgage Loan. Any efforts to enforce such payment obligations due under certain Mortgage Loans may not be subject to the applicable provisions of the Bankruptcy Code because the borrower under such Mortgage Loans are non-Debtor Affiliates.

Additionally, on the Effective Date, the Restructuring Transactions contemplated under the Plan may require transfers of direct and indirect interests in the property securing certain Mortgage Loans, and

a transfer that is not permitted by such Mortgage Loans and documents relating thereto would give rise to an event of default permitting the acceleration of such debt and exercise remedies, including foreclosure of the mortgage, and in addition, may trigger full recourse under Mortgage Loan recourse carve-out guaranties relating to such Mortgage Loans. The number of consents required under the Mortgage Loans depends upon the structure of the Restructuring Transactions.

8. The Reorganized Debtors May Be Adversely Affected by Potential Litigation, Including Litigation Arising Out of the Chapter 11 Cases

In the future, the Reorganized Debtors may become parties to litigation. In general, litigation can be expensive and time consuming to bring or defend against. Such litigation could result in settlements or damages that could significantly affect the Reorganized Debtors' financial results. It is also possible that certain parties will commence litigation with respect to the treatment of their Claims under the Plan. It is not possible to predict the potential litigation that the Reorganized Debtors may become party to, nor the final resolution of such litigation. The impact of any such litigation on the Reorganized Debtors' businesses and financial stability, however, could be material.

9. The Loss of Key Personnel Could Adversely Affect the Debtors' Operations

The Debtors' operations are dependent on a relatively small group of key management personnel and a highly skilled employee base. The Debtors' Chapter 11 Cases have created distractions and uncertainty for key management personnel and employees. Because competition for experienced personnel can be significant, the Debtors may be unable to find acceptable replacements with comparable skills and experience and the loss of such key management personnel could adversely affect the Debtors' ability to operate their businesses. In addition, a loss of key personnel or material erosion of employee morale could have a material adverse effect on the Debtors' ability to meet expectations, thereby adversely affecting the Debtors' businesses and the results of operations.

10. Certain Claims May Not Be Discharged and Could Have a Material Adverse Effect on the Debtors' Financial Condition and Results of Operations

The Bankruptcy Code provides that the confirmation of a plan of reorganization discharges a debtor from substantially all debts arising prior to confirmation. With few exceptions, all Claims that arise prior to the Debtors' filing of their Petitions or before confirmation of the Plan (a) would be subject to compromise and/or treatment under the Plan and/or (b) would be discharged in accordance with the terms of the Plan. Any Claims not ultimately discharged through a plan of reorganization could be asserted against the reorganized entity and may have an adverse effect on the Reorganized Debtors' financial condition and results of operations.

11. Operating in Bankruptcy for a Long Period of Time May Harm the Debtors' Businesses

The Debtors' future results will be dependent upon the successful confirmation and implementation of a plan of reorganization. A long period of operations under Court protection could have a material adverse effect on the Debtors' businesses, financial condition, results of operations, and liquidity. So long as the proceedings related to the Chapter 11 Cases continue, senior management will be required to spend a significant amount of time and effort dealing with the reorganization instead of focusing exclusively on business operations. A prolonged period of operating under Court protection also may make it more difficult to retain management and other key personnel necessary to the success and growth of the Debtors' businesses. In addition, the longer the proceedings related to the Chapter 11 Cases continue, the more likely it is that customers and suppliers will lose confidence in the Debtors' ability to reorganize their businesses successfully and will seek to establish alternative commercial relationships.

So long as the proceedings related to the Chapter 11 Cases continue, the Debtors will be required to incur substantial costs for professional fees and other expenses associated with the administration of the Chapter 11 Cases. The chapter 11 proceedings also require the Debtors to seek debtor-in-possession financing to fund operations. If the Debtors are unable to fully draw on the availability under the DIP Facility, the chances of successfully reorganizing the Debtors' businesses may be seriously jeopardized, the likelihood that the Debtors will instead be required to liquidate or sell their assets may be increased, and, as a result, creditor recoveries may be significantly impaired.

Even after a plan of reorganization is approved and implemented, the Reorganized Debtors' operating results may be adversely affected by the possible reluctance of prospective lenders and other counterparties to do business with a company that recently emerged from bankruptcy protection.

12. Risks Associated with Reorganized WPG's REIT Status

Reorganized WPG may not intend to continue to be treated as a REIT for U.S. federal income tax purposes following the Effective Date. Even if Reorganized WPG intends to continue to be treated as a REIT after the Effective Date, it may not meet the conditions for qualification as a REIT.

If, with respect to any taxable year, Reorganized WPG fails to maintain its qualification as a REIT, it would not be allowed to deduct distributions to shareholders in computing its taxable income and federal income tax. The corporate level income tax would apply to its taxable income at regular corporate rates. As a result, the amount available for distribution to holders of equity securities that would otherwise receive dividends would be reduced for the year or years involved, and Reorganized WPG would no longer be required to make distributions to shareholders. In addition, unless it were entitled to relief under the relevant statutory provisions, Reorganized WPG would be disqualified from treatment as a REIT for four subsequent taxable years.

13. Risks Associated with Reorganized WPG Ability to Satisfy REIT Distribution Requirements

If Reorganized WPG intends to continue to be treated as a REIT, Reorganized WPG generally must distribute annually at least ninety percent (90%) of its real estate investment trust taxable income, determined without regard to the dividends-paid deduction and excluding any net capital gains, in order for Reorganized WPG to qualify to be taxed as a REIT (assuming that certain other requirements are also satisfied) so that U.S. federal corporate income tax does not apply to earnings that Reorganized WPG distributes. To the extent that Reorganized WPG satisfies this distribution requirement and qualifies for taxation as a REIT but distributes less than one hundred percent (100%) of its real estate investment trust taxable income, Reorganized WPG will be subject to U.S. federal corporate income tax on its undistributed net taxable income. In addition, Reorganized WPG would be subject to a four percent (4%) nondeductible excise tax if the actual amount that Reorganized WPG distributes to its shareholders in a calendar year is less than a minimum amount specified under U.S. federal income tax laws.

Reorganized WPG may in certain cases generate taxable income greater than its cash flow as a result of differences in timing between the recognition of taxable income and the actual receipt of cash or the effect of nondeductible capital expenditures, the creation of reserves, or required debt or amortization payments. If Reorganized WPG does not have other funds available in these situations, Reorganized WPG could be required to borrow funds on unfavorable terms, sell assets at disadvantageous prices, or distribute amounts that would otherwise be invested in future acquisitions to make distributions sufficient to enable Reorganized WPG to make distributions necessary to satisfy the real estate investment trust distribution requirement and to avoid corporate income tax and the four percent (4%) excise tax in a particular year. These alternatives could increase Reorganized WPG's costs or reduce the value of its equity. Alternatively, Reorganized WPG could elect to satisfy its distribution requirements by making taxable distributions of

cash and stock; in such a case, a holder would be taxed on one hundred percent (100%) of the distribution in the same manner as a cash distribution. Thus, compliance with the REIT requirements may hinder Reorganized WPG's ability to grow, which could adversely affect the value of Reorganized WPG's stock, or cause holders of Reorganized WPG stock to incur tax liabilities in excess of cash distributions.

14. The Debtors' Operations or Ability to Emerge May be Impacted By the Continuing COVID-19 Pandemic

The business and financial results of the Company have been and may continue to be negatively impacted by the COVID-19 pandemic and could be similarly negatively impacted by other pandemics or epidemics in the future. The severity, magnitude, and duration of the current COVID-19 pandemic is uncertain, rapidly changing and hard to predict. In 2020, COVID-19 significantly impacted the Debtors' business, causing the Company to temporarily shutter all commercial retail locations under state and local "shelter-in-place" or "stay-at-home" orders. The prolonged outbreak of the COVID-19 pandemic resulted in sustained closure of the Company's properties as well as the cessation of the operations of certain of its tenants, which resulted in a reduction of the revenues and cash flows of many of its properties due to the adverse financial impact on its tenants, as well as reductions in other sources of income generated by the Debtors' properties. Although restrictions have been relaxed in various jurisdictions and all of the Debtors' properties have reopened, the financial losses suffered in those jurisdictions will not be easily recovered.

Additionally, the COVID-19 pandemic's lasting impact on the global and national economy is uncertain. If brick-and-mortar retail and overall economic conditions remain depressed, it could negatively impact the Company's business as well as its tenants' businesses.

These impacts of the COVID-19 pandemic or other global or regional health pandemics or epidemics could have the effect of heightening many of the other risks described in this "Risk Factors" section, such as those relating to the Company's results of operations or financial condition. The Company might not be able to predict or respond to all impacts on a timely basis to prevent near- or long-term adverse impacts to their results. The ultimate impact of these disruptions also depends on events beyond the knowledge or control of the Company, including the duration and severity of any outbreak and actions taken by parties other than the Company to respond to them. Any of these disruptions could have a negative impact on the Company's business operations, financial performance, and results of operations, which impact could be material.

15. Other Risks Associated with the Debtors' Business and Industry

The Debtors are exposed to risks with respect to their business and operations, environmental issues, technology, and separation from SPG, among other things. Examples of such risks include the following:

- interest rate fluctuation;
- costs and availability of capital;
- the ability to renew leases or relet our properties at favorable terms;
- increases in expenses that can be reimbursed through leases;
- reliance on anchor stores or major tenants to maintain occupancy at our properties;
- inability to consummate acquisition opportunities and other risks associated with acquisitions;

- changes in retail demand and rental rates in the Debtors' markets as a result of decreased consumer spending
- shifts in tenant demands including the impact of online shopping;
- costs related to acquire, develop, or re-develop properties;
- asset impairments;
- dispositions of real property;
- competition from nearby shopping centers;
- our joint venture structures and relationships;
- financial health of our tenants, including their ability to meet rent terms and the impact of additional tenant bankruptcies or store closings;
- inability to receive reimbursement from tenants for their share of certain operating expenses, including common area maintenance, real estate taxes, and insurance;
- changes in operating expenses;
- inability to secure tenants necessary to support future commercial projects;
- environmental regulatory requirements and changes in applicable laws, rules, and regulations;
- potential indemnification liabilities to SPG;
- implementation of new systems or upgrades to existing systems; and
- cybersecurity incidents.

A more comprehensive discussion on these as well as additional risk factors can be obtained in the Company's SEC filings on the Company's website at https://investor.washingtonprime.com/investor-relations/financial-info/sec-filings/default.aspx or on the SEC's website at https://www.sec.gov.

X. CERTAIN SECURITIES LAW MATTERS

The Debtors believe that the New Common Equity, the Equity Rights, and the options or other equity awards (and any New Common Equity underlying such awards) to be issued pursuant to the Management Incentive Plan will be "securities," as defined in section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code, and any applicable state securities law (a "Blue Sky Law"). No registration statement will be filed under the Securities Act, or pursuant to any Blue Sky Law with respect to the offer and distribution of securities under the Plan.

A. Issuance of Securities under the Plan

All 1145 Securities will be issued in reliance upon section 1145 of the Bankruptcy Code to the extent permitted under applicable law. All 4(a)(2) Securities will be issued in reliance upon section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder, will be considered "restricted securities,"

and may not be transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom.

Section 1145 of the Bankruptcy Code provides that Section 5 of the Securities Act and any state law requirements for the issuance of a security do not apply to the offer or sale of stock, options, warrants, or other securities by a debtor if (1) the offer or sale occurs under a plan of reorganization, (2) the recipients of the securities hold a claim against, an interest in, or claim for administrative expense against the debtor, and (3) the securities are issued in exchange for a claim against or interest in a debtor or are issued principally in such exchange or partly for cash and property. The Debtors believe that the issuance of the 1145 Securities is exempt under Section 1145 from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable U.S. state or local law requiring registration before the offering, issuance, distribution, or sale of such securities. Accordingly, no registration statement will be filed under the Securities Act or any state securities laws.

The 4(a)(2) Securities will be issued without registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder. To the extent issued in reliance on Section 4(a)(2) of the Securities Act or Regulation D thereunder, the 4(a)(2) Securities will be "restricted securities" subject to resale restrictions and may be resold, exchanged, assigned, or otherwise transferred only pursuant to registration, or an applicable exemption from registration under the Securities Act and other applicable law.

Recipients of the New Common Equity or Equity Rights are advised to consult with their own legal advisors as to the availability of any exemption from registration under the Securities Act and any applicable state Blue Sky Law. As discussed below, the exemptions provided for in Section 1145(a) do not apply to an entity that is deemed an "underwriter" as such term is defined in Section 1145(b) of the Bankruptcy Code.

B. Subsequent Transfers

The 1145 Securities may be freely transferred by most recipients following the initial issuance under the Plan, and all resales and subsequent transfers of the 1145 Securities are exempt from registration under the Securities Act and state securities laws, unless the holder is (1) an "underwriter" with respect to such securities, (2) is an "affiliate" of the Debtors as defined in Rule 144(a)(1) under the Securities Act, (3) has been such an "affiliate" within 90 days of such transfer or (iv) has acquired such securities from an "affiliate" within one year of such transfer. Section 1145(b)(1) of the Bankruptcy Code defines an "underwriter" as one who, except with respect to "ordinary trading transactions" of an entity that is not an "issuer": (1) purchases a claim against, interest in, or claim for an administrative expense in the case concerning the debtor, if such purchase is with a view to distribution of any security received or to be received in exchange for such claim or interest; (2) offers to sell securities offered or sold under a plan for the holders of such securities; (3) offers to buy securities offered or sold under a plan from the holders of such securities, if such offer to buy is (a) with a view to distribution of such securities and (b) under an agreement made in connection with the plan, with the consummation of the plan, or with the offer or sale of securities under the plan; or (4) is an issuer of the securities within the meaning of section 2(a)(11) of the Securities Act. In addition, a person who receives a fee in exchange for purchasing an issuer's securities could also be considered an underwriter within the meaning of section 2(a)(11) of the Securities Act.

The definition of an "issuer" for purposes of whether a person is an underwriter under section 1145(b)(1)(D) of the Bankruptcy Code, by reference to section 2(a)(11) of the Securities Act, includes as "statutory underwriters" all "affiliates," which are all persons who, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with, an issuer of securities. The reference to "issuer," as used in the definition of "underwriter" contained in

section 2(a)(11) of the Securities Act, is intended to cover "Controlling Persons" of the issuer of the securities. "Control," as defined in Rule 405 of the Securities Act, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise. Accordingly, an officer or director of a reorganized debtor or its successor under a plan of reorganization may be deemed to be a "Controlling Person" of the debtor or successor, particularly if the management position or directorship is coupled with ownership of a significant percentage of the reorganized debtor's or its successor's voting securities. In addition, the legislative history of section 1145 of the Bankruptcy Code may suggest that a creditor who owns 10% or more of a class of voting securities of a reorganized debtor may be presumed to be a "Controlling Person" and, therefore, an underwriter.

Resales of 1145 Securities by entities deemed to be "underwriters" (which definition includes "Controlling Persons") are not exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable law. Under certain circumstances, holders of New Common Equity who are deemed to be "underwriters" may be entitled to resell their New Common Equity pursuant to the limited safe harbor resale provisions of Rule 144 of the Securities Act. Generally, Rule 144 of the Securities Act would permit the public sale of securities received by such Person if the required holding period has been met and, under certain circumstances, current information regarding the issuer is publicly available and volume limitations, manner of sale requirements and certain other conditions are met. Whether any particular Person would be deemed to be an "underwriter" (including whether the Person is a "Controlling Person") with respect to the New Common Equity would depend upon various facts and circumstances applicable to that Person. Accordingly, the Debtors express no view as to whether any Person would be deemed an "underwriter" with respect to the New Common Equity and, in turn, whether any Person may freely resell New Common Equity.

Unlike the securities that will be issued pursuant to section 1145 of the Bankruptcy Code, any shares of New Common Equity issued in reliance upon section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder, including the unsubscribed shares of New Common Equity issued to the Backstop Parties pursuant to the Backstop Commitment Agreement, will be deemed "restricted securities" that may not be offered, sold, exchanged, assigned or otherwise transferred unless they are registered under the Securities Act or an exemption from registration under the Securities Act is available, including under Rule 144 or Rule 144A promulgated under the Securities Act.

Rule 144 provides an exemption for the public resale of "restricted securities" if certain conditions are met. These conditions vary depending on whether the holder of the restricted securities is an affiliate of the issuer. An affiliate is defined as "a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer."

A non-affiliate who has not been an affiliate of the issuer during the preceding three months may resell restricted securities after a six-month holding period if at the time of the sale there is available certain current public information regarding the issuer, and may sell the securities after a one-year holding period whether or not there is current public information regarding the issuer. Adequate current public information is available for a reporting issuer if the issuer has filed all periodic reports required under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, during the twelve months preceding the sale of the restricted securities. If the issuer is a non-reporting issuer, adequate current public information is available if certain information about the issuer is made publicly available.

An affiliate may resell restricted securities after the six-month holding period if at the time of the sale certain current public information regarding the issuer is available. The affiliate must also comply with the volume, manner of sale and notice requirements of Rule 144. First, the rule limits the number of restricted securities (plus any unrestricted securities) sold for the account of an affiliate (and related persons)

in any three-month period to the greater of 1 percent of the outstanding securities of the same class being sold and, if the class is listed on a stock exchange, the average weekly reported volume of trading in such securities during the four weeks preceding the filing of a notice of proposed sale on Form 144. Second, the manner of sale requirement provides that the restricted securities must be sold in a broker's transaction, which generally means they must be sold through a broker and handled as a routine trading transaction. The broker must receive no more than the usual commission and cannot solicit orders for the sale of the restricted securities except in certain situations. Third, if the sale exceeds 5,000 restricted securities or has an aggregate sale price greater than $50,000, an affiliate must file with the SEC three copies of a notice of proposed sale on Form 144. The sale must occur within three months of filing the notice unless an amended notice is filed.

You should confer with your own legal advisors to determine whether or not you are an "underwriter," an "issuer" or an "affiliate."

The Debtors believe that the Rule 144 exemption will not be available with respect to any 4(a)(2) Securities (whether held by non-affiliates or affiliates) until at least six months after the Effective Date. Accordingly, holders of 4(a)(2) Securities will be required to hold the 4(a)(2) Securities for at least six months and, thereafter, to sell the 4(a)(2) Securities only in accordance with the applicable requirements of Rule 144, unless such 4(a)(2) Securities are registered under the Securities Act or are otherwise exempt.

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Legend. To the extent certificated or issued by way of direct registration on the records of the issuer's transfer agent, certificates evidencing (i) unsubscribed shares of New Common Equity issued to the Backstop Parties pursuant to the Backstop Commitment Agreement and (ii) by holders of 10% or more of the outstanding New Common Equity or the Equity Rights, as applicable, upon exercise of their rights will bear a legend substantially in the form below:

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). OR ANY OTHER APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN AVAILABLE EXEMPTION FROM REGISTRATION THEREUNDER.

The Debtors and Reorganized Debtors, as applicable, reserve the right to reasonably require certification, legal opinions or other evidence of compliance with Rule 144 as a condition to the removal of such legend or to any resale of the 4(a)(2) Securities. The Debtors and Reorganized Debtors, as applicable, also reserve the right to stop the transfer of any 4(a)(2) Securities if such transfer is not in compliance with Rule 144, pursuant to an effective registration statement or pursuant to another available exemption from the registration requirements of applicable securities laws. All persons who receive 4(a)(2) Securities will be required to acknowledge and agree that (a) they will not offer, sell or otherwise transfer any 4(a)(2) Securities except in accordance with an exemption from registration, including under Rule 144 under the Securities Act, if and when available, or pursuant to an effective registration statement, and (b) the 4(a)(2) Securities will be subject to the other restrictions described above.

ANY PERSONS RECEIVING "RESTRICTED SECURITIES" UNDER THE PLAN ARE URGED TO CONSULT WITH THEIR OWN COUNSEL CONCERNING THE AVAILABILITY OF AN EXEMPTION FROM REGISTRATION FOR RESALE OF THESE SECURITIES UNDER THE SECURITIES ACT AND OTHER APPLICABLE LAW.

BECAUSE OF THE COMPLEX, SUBJECTIVE NATURE OF THE QUESTION OF WHETHER A PARTICULAR PERSON MAY BE AN UNDERWRITER OR AN AFFILIATE AND THE HIGHLY FACT-SPECIFIC NATURE OF THE AVAILABILITY OF EXEMPTIONS FROM REGISTRATION UNDER THE SECURITIES ACT, INCLUDING THE EXEMPTIONS AVAILABLE UNDER SECTION 1145 OF THE BANKRUPTCY CODE AND RULE 144 UNDER THE SECURITIES ACT, NONE OF THE DEBTORS OR THE REORGANIZED DEBTORS MAKE ANY REPRESENTATION CONCERNING THE ABILITY OF ANY PERSON TO DISPOSE OF THE SECURITIES TO BE DISTRIBUTED UNDER THE PLAN. POTENTIAL RECIPIENTS OF THE SECURITIES TO BE ISSUED UNDER THE PLAN ARE URGED TO CONSULT THEIR OWN COUNSEL CONCERNING WHETHER THEY MAY FREELY TRADE SUCH SECURITIES. POTENTIAL RECIPIENTS OF NEW COMMON EQUITY ARE URGED TO CONSULT THEIR OWN COUNSEL CONCERNING THEIR ABILITY TO FREELY TRADE SUCH SECURITIES WITHOUT COMPLIANCE WITH THE FEDERAL LAW AND ANY APPLICABLE STATE BLUE SKY LAW.

C. New Common Equity & Management Incentive Plan

The Confirmation Order shall authorize the board of directors of Reorganized WPG to adopt the Management Incentive Plan, which shall contain terms and conditions acceptable to the Debtors and the Required Plan Sponsors and as set forth in the Plan Supplement. Awards issued under the Management Incentive Plan that include New Common Equity will dilute all of the New Common Equity outstanding. The New Common Equity is also subject to dilution in connection with the conversion of any options, convertible securities or other securities that may be issued post-emergence.

D. Shares Issuable Pursuant to the Equity Rights Offering

Subscription rights to participate in the Equity Rights Offering shall be distributed to the holders of Unsecured Notes Claims and the Backstop Parties in accordance with the Plan and the issuance of such subscription rights is expected to be exempt from SEC registration under applicable law. The Equity Rights (and any shares of New Common Equity issuable upon the exercise thereof other than the shares of New Common Equity issued to the Backstop Parties pursuant to the Backstop Commitment Agreement) will be issued in reliance upon section 1145 of the Bankruptcy Code to the extent permitted under applicable law. The shares of New Common Equity issued to the Backstop Parties pursuant to the Backstop Commitment Agreement will be issued in reliance upon section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder. All shares of New Common Equity issued pursuant to the exemption from registration set forth in section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder will be considered "restricted securities" and may not be transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom.

The Debtors believe that the securities issued in the Equity Rights Offering satisfy all the requirements of section 1145(a)(1) of the Bankruptcy Code and are, therefore, exempt from registration under the Securities Act and state securities laws (except with respect to an underwriter as described above).

On the Effective Date, Reorganized WPG will consummate the Equity Rights Offering. Unless otherwise expressly allowed in the Equity Rights Offering or Equity Rights Offering Procedures, the right to participate in the Equity Rights Offering may not be sold, transferred, or assigned.

XI. CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN[31]

The following discussion summarizes certain United States ("U.S.") federal income tax consequences of the implementation of the Plan to the Debtors (including, for purposes of this discussion, the Reorganized Debtors) and holders of Claims or Interests entitled to vote on the Plan.

This summary is based on the Internal Revenue Code of 1986, as amended (the "Tax Code"), the U.S. Treasury Regulations promulgated thereunder (the "Treasury Regulations"), judicial decisions, and published administrative rules and pronouncements of the Internal Revenue Service (the "IRS"), all as in effect on the date hereof. Changes in the rules or new interpretations of the rules may have retroactive effect and could significantly affect the U.S. federal income tax consequences described below.

The U.S. federal income tax consequences of the Plan are complex and subject to significant uncertainties. The Debtors have not requested any ruling or determination from the IRS or any other taxing authority, nor have the Debtors requested an opinion of counsel, with respect to the tax consequences discussed herein, and the discussion below is not binding upon the IRS or the courts. No assurance can be given that the IRS would not assert, or that a court would not sustain, a different position than any position discussed herein.

This summary does not address non-U.S., state or local income tax consequences of the Plan (including such consequences with respect to the Debtors) nor does it purport to address all aspects of U.S. federal income taxation that may be relevant to a holder in light of its individual circumstances or to a holder that may be subject to special tax rules, such as persons who are related to the Debtors within the meaning of the Tax Code, persons liable for alternative minimum tax or the base erosion and anti-abuse tax, persons subject to special tax accounting rules as a result of any item of gross income with respect to the Claims or Interests being taken into account in an applicable financial statement (as defined in section 451 of the Tax Code), persons whose functional currency is not the U.S. dollar, U.S. expatriates, broker-dealers, banks, mutual funds, insurance companies, financial institutions, small business investment companies, regulated investment companies, tax exempt organizations, controlled foreign corporations, passive foreign investment companies, partnerships (or other entities treated as partnerships or other pass-through entities), beneficial owners of partnerships (or other entities treated as partnerships or other pass-through entities), subchapter S corporations, persons who hold Claims or Interests as part of a straddle, hedge, conversion transaction, or other integrated investment, persons using a mark-to market method of accounting, persons who are themselves in bankruptcy, and persons who own more than 10 percent of any class of stock (including warrants to acquire such stock) of WPG Inc. Additionally, this discussion does not address any U.S. federal taxes other than income taxes. The discussion is also not intended to apply to any person that acquires any of the New Common Equity in the secondary market.

This discussion assumes that a U.S. Holder (as defined below) of a Claim or Interest holds only Claims or Interests in a single Class, has held such Claims or Interests only as "capital assets" (within the meaning of section 1221 of the Tax Code) and will hold the New Revolving Exit Facility, New Term Loan Exit Facility, and New Common Equity as capital assets. This discussion also assumes that the various debt and other arrangements to which the Debtors are parties will be respected for U.S. federal income tax purposes in accordance with their form.

Unless expressly stated otherwise, this discussion assumes that Reorganized WPG will be WPG Inc., and WPG Inc. will intend to continue to be treated as a REIT. If any of these assumptions are invalid, the tax consequences to the Debtors, Certain Unitholders, U.S. Holders of Certain Claims, U.S. Holders of

[31] Section XI of this Disclosure Statement is subject to continuing review and potential material change.

Existing Preferred Equity Interests or Existing Common Equity Interests, and the owners of New Common Equity may be materially different from the tax consequences described herein and will be discussed in a subsequent amendment to this Disclosure Statement, if needed.

For purposes of this discussion, a "U.S. Holder" is a holder of a Claim or Interest that is: (A) an individual citizen or resident of the United States for U.S. federal income tax purposes; (B) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia; (C) an estate the income of which is subject to U.S. federal income taxation regardless of the source of such income; or (D) a trust (1) if a court within the United States is able to exercise primary jurisdiction over the trust's administration and one or more United States persons (within the meaning of section 7701(a)(30) of the Tax Code) have authority to control all substantial decisions of the trust or (2) that has a valid election in effect under applicable Treasury Regulations to be treated as a United States person. For purposes of this discussion, a "Non-U.S. Holder" is any holder of a Claim or Interest that is neither a U.S. Holder nor a partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes).

If a partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes) is a holder of a Claim or Interest, the tax treatment of the partner (or other beneficial owner) generally will depend upon the status of the partner (or other beneficial owner) and the activities of the partnership and the partner. Partnerships and partners (or other beneficial owners) of such partnerships (or other entities treated as partnerships or other pass-through entities for U.S. federal income tax purposes) that are holders of Claims or Interests should consult their tax advisors regarding the U.S. federal income tax consequences of the Plan.

THE FOLLOWING SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM OR INTEREST. ALL HOLDERS OF CLAIMS OR INTERESTS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE U.S. FEDERAL, STATE, LOCAL, NON-U.S., NON-INCOME, AND OTHER TAX CONSEQUENCES OF THE PLAN.

A. Consequences to the Debtors and Certain Unitholders

WPG LP is a partnership for U.S. federal income tax purposes. WPG Inc. is the general partner of WPG LP and owns common units and preferred units issued by WPG LP. The remaining common units are issued to non-debtor entities and individuals (the "Other Unitholders" and together with WPG Inc., the "Unitholders"). Because WPG LP is a partnership (a pass-through entity) for U.S. federal income tax purposes, the U.S. federal income tax consequences of consummating the Plan generally will not be borne by WPG LP, but by WPG Inc. and the Other Unitholders.

REITs generally are required to distribute at least 90% of their ordinary taxable income on an annual basis in order to retain their tax status for U.S. federal income tax purposes. Any tax attributes which reduce taxable income can also reduce the distribution requirement to which the real estate investment trust is subject. As of December 31, 2020, WPG Inc. had approximately $5 million of federal net operating losses ("NOLs") and might have a "net unrealized built-in loss" ("NUBIL") in an amount that has not yet been determined. Any NOLs and NUBIL remaining upon implementation of the Plan may be able to offset future taxable income, thereby reducing WPG Inc.'s future distribution obligations.

1. COD Income to the WPG Inc. and Other Unitholders

In general, absent an exception, a taxpayer will realize and recognize cancellation of indebtedness income ("COD Income") upon satisfaction of its outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the adjusted issue price of the indebtedness satisfied over (b) the sum of the amount of cash paid, the issue price of any new indebtedness of the taxpayer issued, and the fair market value of any other consideration.

In connection with the Plan, WPG LP may recognize COD Income for U.S. federal income tax purposes. The ultimate amount of COD Income will depend on, among other things, the adjusted issue price of new indebtedness, the final amount of cash, and the fair market value of the new equity and other consideration distributed to holders of Claims. Certain of these figures cannot be known with certainty until after the Effective Date. Accordingly, the amount of COD Income WPG LP may incur is uncertain and may be significant.

As described above, because WPG LP is a pass-through entity for U.S. federal income tax purposes, WPG Inc. and the Other Unitholders will be treated as recognizing their respective allocable shares of COD Income from WPG LP to the extent of any COD Income of WPG LP. Certain statutory or judicial exceptions potentially can apply to limit the amount of COD Income required to be included in income by the Unitholders, depending on the holders' circumstances. In particular, exceptions are available that would allow COD Income to be excluded from gross income if the COD Income is taken into account by a taxpayer that is insolvent (but only to the extent of insolvency) or in bankruptcy. These exceptions apply at the "partner" level and thus depend on whether the partner, *i.e.*, the Unitholders to whom the COD Income is allocated (including WPG Inc.), is itself insolvent or in bankruptcy. The fact that WPG LP is insolvent and in bankruptcy is not relevant for that purpose. Because WPG Inc. is a debtor in bankruptcy, its share of the COD Income will be excluded from income by reason of the bankruptcy exception and it will be required to reduce its tax attributes accordingly, as discussed below. For purposes of determining a Unitholder's insolvency (measured immediately prior to the Effective Date), the holder is treated as if it were individually liable for an amount of partnership debt equal to the allocated amount of the COD Income. Other exceptions might also be available to other Unitholders. Accordingly, Unitholders other than WPG Inc. are urged to consult their own tax advisors.

In general, to the extent that a Unitholder's COD Income is excluded from gross income by reason of the bankruptcy or insolvency exception, the Unitholder's tax attributes will be reduced in the following order (following the determination of its taxable income for the year in which the COD Income is excluded): (a) NOLs and NOL carryforwards; (b) most tax credits; (c) capital loss carryovers; (d) tax basis in assets (including, in the case of a partner in a partnership such partner's outside basis in its partnership interest), but not below the amount of liabilities to which the debtor remains subject; (e) passive activity loss and credit carryovers; and (f) foreign tax credits. Alternatively, the taxpayer can elect first to reduce the basis of its depreciable assets. However, a partner in a partnership may only make this election with respect to the portion of its outside basis attributable to depreciable assets if the partnership so consents (or is deemed to consent). Any COD Income over the amount of available tax attributes will generally not give rise to U.S. federal income tax and will generally have no other U.S. federal income tax impact. WPG Inc. expects that its NOLs and capital loss carryforwards will be reduced to zero and any remaining attribute reduction will be applied to reduce its adjusted tax basis in its Existing Common Equity Units (unless WPG LP becomes a disregarded subsidiary of WPG Inc. for U.S. federal income tax purposes, such as (i) in the event of the conversion of all minority held interests in WPG LP into New Common Equity pursuant to the Plan or (ii) the extinguishment of minority held interests if the Bankruptcy Court does not approve the recovery to holders of Existing Common Equity Units, in which event the adjusted tax basis of the assets of WPG LP would be reduced).

A partner's adjusted tax basis in its Existing Common Equity Units will be increased to the extent of any net income or gain allocated to such partner and decreased (but not below zero) to the extent of any net loss allocated to such partner, whether or not such loss is disallowed and thus not deductible. To the extent a partner of WPG LP was allocated losses in taxable years ending prior to the Effective Date, such losses may have been suspended by reason of certain provisions of the Tax Code (in particular, those relating to so-called "passive losses" or the "at risk" rules). As a result of the transaction, all or part of such losses may become deductible.

The discharge of WPG LP's existing indebtedness pursuant to the Plan will also result in a deemed cash distribution to each partner based on the amount of the indebtedness allocable to such partner's Existing Common Equity Units. To the extent that any such deemed cash distribution exceeds the partner's adjusted tax basis in its Existing Common Equity Units (after adjustment for any allocation of income or loss including COD Income), such partner will recognize capital gain. Any such capital gain generally should be long-term if the partner's holding period in its Existing Common Equity Units is more than one year and otherwise should be short-term. A partner's adjusted tax basis in its Existing Common Equity Units will be decreased (but not below zero) to the extent of any such deemed cash distribution.

2. Limitation on Utilization of REIT NOLs and Other Tax Attributes

In addition to the reduction in tax attributes pursuant to excluded COD Income described above, WPG Inc.'s ability to use any remaining tax attributes post-emergence will be subject to certain limitations under sections 382 and 383 of the Tax Code. Under sections 382 and 383 of the Tax Code, if WPG Inc. undergoes an "ownership change," the amount of any remaining NOLs, tax credit carryforwards, NUBIL, and possibly certain other attributes of WPG Inc. allocable to periods prior to the Effective Date (collectively, the "Pre-Change Losses") that may be utilized to offset future taxable income generally is subject to an annual limitation. For this purpose, if a corporation has a NUBIL at the time of an ownership change (taking into account most assets and items of "built-in" income and deductions), then generally built-in losses (including amortization or depreciation deductions attributable to such built-in losses) recognized during the following five years (up to the amount of the original NUBIL) will be treated as Pre-Change Losses and similarly subject to the annual limitation.

The issuance of New Common Equity pursuant to the Plan may result in an "ownership change" of WPG Inc. for this purpose, such that WPG Inc.'s utilization of its Pre-Change Losses to offset future income may be subject to annual limitation.

In general, the amount of the resulting annual limitation is equal to the product of (a) the fair market value of the stock of the corporation immediately before the ownership change (with certain adjustments), and (b) the "long-term tax-exempt rate" for the month in which the ownership change occurs (1.64 percent for ownership changes in June 2021). However, where the ownership change occurs pursuant to a confirmed chapter 11 plan, the annual limitation generally is calculated (with certain adjustments) by reference to the value of the debtor corporation's new stock immediately after the ownership change, but not in excess of the fair market value of the debtor corporation's pre-change gross assets. Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year.

An exception to the foregoing annual limitation rules generally applies when so-called "qualified creditors" of a debtor corporation in chapter 11 receive, in respect of their Claims, at least 50 percent of the vote and value of the stock of the debtor corporation (or a controlling corporation if also in chapter 11) as reorganized pursuant to a confirmed chapter 11 plan. This exception may be available to WPG Inc. to the extent that, pursuant to the Plan, creditors of WPG Inc. receive stock of WPG Inc.

3. Consequences to U.S. Holders of Existing Common Equity Units of Exchanging Their Existing Common Units

Pursuant to the Plan (assuming the Bankruptcy Court approves the recovery to holders of Existing Common Equity Units), each holder of an Existing Common Equity Units will either (i) receive its Pro Rata share of (a) the Common Equity Cash Pool or, (b) if such holder is eligible to elect the Common Equity Option and such holder elects the Common Equity Option, its share of New Common Equity in lieu of its share of the Common Equity Cash Pool, or (ii) such holder's Pro Rata share of (a) the Existing Equity Interests Toggle Recovery or, (b) the Toggle Restructuring Distributable Proceeds pursuant to the Toggle Restructuring Equity Waterfall Distribution.

(a) Holders Who Elect to Receive New Common Equity

If a U.S. Holder of the Existing Common Equity Units receives its share of the New Common Equity, the Debtors expect to take the position for U.S. federal income tax purposes - and the remainder of this discussion assumes - that the Existing Common Equity Units are treated as if (i) first exchanged for Existing Common Equity Interests on terms consistent with the applicable prepetition agreements and (ii) thereafter, the Existing Common Equity Interests are exchanged for New Common Equity on the same terms as an existing holder of Existing Common Equity Interests. The tax consequences to the Debtors and holders of Existing Common Equity Units described herein could be materially different in the event this characterization is not respected for U.S. federal income tax purposes.

The receipt of New Common Equity by a U.S. Holder of Existing Common Equity Units should be treated as a taxable exchange. Such a U.S. Holder should recognize gain or loss equal to the difference between (a) the amount realized and (b) such U.S. Holder's adjusted tax basis in its Existing Common Equity Units (after adjustment for any allocation of income or loss including COD Income). A U.S. Holder's "amount realized" will be measured by the sum of the fair market value of the New Common Equity deemed received plus such U.S. Holder's share of partnership liabilities. Because the amount realized includes a U.S. Holder's share of partnership liabilities, the gain recognized on the exchange of Existing Common Equity Units could result in a tax liability in excess of the value of any property received from the exchange.

Any gain or loss recognized with respect to such an exchange generally will be treated as a capital gain or loss, and will be long-term capital gain or loss if the interest has been held for more than one year (subject to recharacterization as ordinary income pursuant to Section 751 of the Code). The deductibility of capital losses is subject to certain limitations as described in "Consequences to U.S. Holders of Unsecured Notes Claims—Character of Gain or Loss."

The U.S. federal income tax consequences to a U.S. Holder of the subsequent exchange of Existing Common Equity Interests deemed received for New Common Equity are described below in "Consequences to U.S. Holders of Existing Preferred Equity Interests or Existing Common Equity Interests." With respect to such discussion, a U.S. Holder of Existing Common Equity Units should be considered to have a tax basis in the Existing Common Equity Interests deemed received (and immediately exchanged) equal to the fair market value of such stock at the time of the exchange. The U.S. Holder's holding period in such Existing Common Equity Interests should be a new holding period that begins on the day following the exchange date.

The U.S. federal income tax consequences to a U.S. Holder of the ownership and disposition of New Common Equity are described below in "Consequences of the Ownership and Disposition of New Common Equity."

B. Consequences to U.S. Holders of Certain Claims

1. Consequences to U.S. Holders of Revolving and Term Loan Facilities Claims and Weberstown Term Loan Facility Claims

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release and discharge of Allowed Revolving and Term Loan Facilities Claims, each Holder thereof will receive (a) if the Equitization Restructuring occurs, its Pro Rata share of $1,187 million, *plus* the Elective Exit Loan Amount attributable to the Revolving and Term Loan Facilities Claims, if any, in principal amount of loans under the New Term Loan Exit Facility and the Revolving and Term Loan Facilities Cash Pool Account or (b) if the Toggle Restructuring occurs, the Allowed Amount of such Holder's claims in Cash (including postpetition interest at the applicable default base rates set forth in the applicable Revolving and Term Loan Credit Agreement for the entire postpetition period, which interest shall be Allowed).

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release and discharge of Allowed Weberstown Term Loan Facility Claims, each Holder thereof will receive (a) if the Equitization Restructuring occurs, its Pro Rata share of $25 million, *plus* the Elective Exit Loan Amount attributable to the Weberstown Term Loan Facility Claims, if any, in principal amount of loans under the New Term Loan Exit Facility and the Weberstown Cash Pool Account or (b) if the Toggle Restructuring occurs, the Allowed Amount of such Holder's claims in Cash (including postpetition interest at the default base rate set forth in the Weberstown Term Loan Agreement for the entire postpetition period, which interest shall be Allowed).

(a) Equitization Restructuring

For U.S. federal income tax purposes, the purported exchange of a new debt instrument for an existing debt instrument will be respected as an exchange, as a result of which (among other things) gain or loss is realized, if the terms of the new debt instrument compared to the existing debt instrument constitute a "significant modification." Based on differences between the terms of each of the Revolving and Term Loan Facilities Claims and the Weberstown Term Loan Facility Claims (including, in particular, changes in the interest rate and other economic terms), it is expected that the exchange of Revolving and Term Loan Facilities Claims and the Weberstown Term Loan Facility Claims for the New Term Loan Exit Facility will be treated as a "significant modification" of the evolving and Term Loan Facilities Claims. The remainder of this discussion assumes that such treatment will apply to such exchange.

The receipt of an interest in the New Term Loan Exit Facility and receipt of cash by a U.S. Holder of an Allowed Revolving and Term Loan Facilities Claim or an Allowed Weberstown Term Loan Facility Claim, as applicable, should be treated as a taxable exchange. Such a U.S. Holder should recognize gain or loss equal to the difference between (a) the sum of the cash received and the issue price of the New Term Loan Exit Facility received in respect of its Claim (other than any consideration received in respect of a Claim for accrued but unpaid interest and possibly accrued original issue discount ("OID")) and (b) such U.S. Holder's adjusted tax basis in its Claim (other than any tax basis attributable to accrued but unpaid interest and possibly accrued OID). See "—Character of Gain or Loss," below. For a discussion of the determination of the "issue price" of the New Term Loan Exit Facility, see "—Ownership and Disposition of the New Term Exit Facility," below.

To the extent that a portion of the consideration received in exchange for its Allowed Revolving and Term Loan Facilities Claim or a Weberstown Term Loan Facility Claim is allocable to accrued but untaxed interest (or OID), the U.S. Holder may recognize ordinary income. See "—Accrued Interest or OID," below.

A U.S. Holder of an Allowed Revolving and Term Loan Facilities Claim or a Weberstown Term Loan Facility Claim will have a tax basis in the New Term Loan Exit Facility received equal to its issue price. A U.S. Holder's holding period in such New Term Loan Exit Facility should begin on the day following the exchange date.

(b) Toggle Restructuring

In the event that the Toggle Restructuring occurs, it is generally expected that the Holder of an Allowed Revolving and Term Loan Facilities Claim or the Holder of an Allowed Weberstown Term Loan Facility Claim, as applicable, will be treated as receiving its distributions under the Plan in a taxable exchange under Section 1001 of the Tax Code. Other than with respect to any amounts received that are attributable to accrued but untaxed interest or market discount, each U.S. Holder of such Claim should recognize gain or loss equal to the difference between the amount of Cash received and such U.S. Holder's adjusted basis, if any, in such Claim.

2. Consequences to U.S. Holders of Unsecured Notes Claims

Pursuant to the Plan, in exchange for the full and final satisfaction, compromise, settlement, release and discharge of the Allowed Unsecured Notes Claims, each holder thereof will receive either (a) if the Equitization Restructuring occurs, its pro rata share of (i) 100% of the New Common Equity, less any New Common Equity distributed to Holders of Existing Equity Interests pursuant to the Equity Option and subject to dilution on account of the Management Incentive Plan and the Equity Rights Offering, and (ii) the Unsecured Noteholder Rights, or (b) if the Toggle Restructuring Occurs, the Allowed Amount of such holder's Claim in cash.

(a) Equitization Restructuring

The receipt of New Common Equity and Unsecured Noteholder Rights by a U.S. Holder in exchange for its Allowed Unsecured Notes Claim should be treated as a taxable exchange. Accordingly, such a U.S. Holder generally should recognize gain or loss equal to the difference between (a) the fair market value of the New Common Equity and Unsecured Noteholder Rights received in respect of its Claim (other than any consideration received in respect of a Claim for accrued but unpaid interest and possibly accrued OID) and (b) such U.S. Holder's adjusted tax basis in its Claim (other than any tax basis attributable to accrued but unpaid interest and possibly accrued OID). See "— Character of Gain or Loss, " below.

To the extent that a portion of the consideration received in exchange for its Allowed Unsecured Notes Claim is allocable to accrued but untaxed interest (or OID), the U.S. Holder may recognize ordinary income. See "—Accrued Interest or OID," below.

(b) Toggle Restructuring

In the event that the Toggle Restructuring occurs, it is generally expected that the holder of an Allowed Unsecured Notes Claim will be treated as receiving its distributions under the Plan in a taxable exchange under Section 1001 of the Tax Code. Other than with respect to any amounts received that are attributable to accrued but untaxed interest or market discount, each U.S. Holder of such Claim should recognize gain or loss equal to the difference between the amount of Cash received and such U.S. Holder's adjusted basis, if any, in such Claim.

3. Accrued Interest or OID

A portion of the consideration received by U.S. Holders of Claims may be attributable to accrued but untaxed interest (or accrued OID) on such Claims. Such amount should be taxable to that U.S. Holder

as ordinary interest income if such accrued interest (or OID) has not been previously included in the holder's gross income for U.S. federal income tax purposes. Conversely, U.S. Holders of Claims may be able to recognize a deductible loss to the extent that any accrued interest (or OID) on the Claims was previously included in the holder's gross income but was not paid in full by the Debtors. Such loss may be ordinary, but the tax law is unclear on this point.

If the fair value of the consideration is not sufficient to fully satisfy all principal and interest on Allowed Claims, the extent to which such consideration will be attributable to accrued but untaxed interest (or OID) is uncertain. Under the Plan, the aggregate consideration to be distributed to U.S. Holders of Allowed Claims in each Class will be allocated first to the principal amount of Allowed Claims (as determined for U.S. federal income tax purposes) and thereafter, to the remaining portion of such Allowed Claim, if any (in contrast, for example, to a pro rata allocation of a portion of the exchange consideration received between principal and interest, or an allocation first to accrued but unpaid interest). Certain legislative history indicates that an allocation of consideration as between principal and interest provided in a chapter 11 plan of reorganization is binding for U.S. federal income tax purposes, while certain Treasury Regulations treat payments as allocated first to any accrued but untaxed interest. The IRS could take the position that the consideration received by the U.S. Holder should be allocated in some way other than as provided in the Plan. Holders of Claims should consult their respective tax advisors regarding the proper allocation of the consideration received by them under the Plan between principal and accrued but untaxed interest in such event.

4. Character of Gain or Loss

Where gain or loss is recognized by a U.S. Holder, the character of such gain or loss as long-term or short-term capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the holder, whether the applicable Allowed Claim constitutes a capital asset in the hands of the holder and how long it has been held, whether the Allowed Claim was acquired at a market discount, and whether and to what extent the holder previously claimed a bad debt deduction.

Under the "market discount" provisions of the Tax Code, some or all of any gain realized by a U.S. Holder of a Claim may be treated as ordinary income (instead of capital gain), to the extent of the amount of "market discount" on the debt instruments constituting the exchanged Claim. In general, a debt instrument is considered to have been acquired with "market discount" if it is acquired other than on original issue and if the U.S. Holder's adjusted tax basis in the debt instrument is less than (a) the sum of all remaining payments to be made on the debt instrument, excluding "qualified stated interest" or (b) in the case of a debt instrument issued with OID, its adjusted issue price, in each case, by at least a de minimis amount (equal to 0.25 percent of the sum of all remaining payments to be made on the debt instrument, excluding qualified stated interest, multiplied by the number of remaining whole years to maturity).

Any gain recognized by a U.S. Holder on the taxable disposition of a Claim that had been acquired with market discount should be treated as ordinary income to the extent of the market discount that accrued thereon while such Claim was considered to be held by the holder (unless the holder elected to include market discount in income as it accrued). Holders should consult their own tax advisors concerning the application of the market discount rules to their Claims.

U.S. Holders who recognize capital losses as a result of the distributions under the Plan will be subject to limits on their use of capital losses. For non-corporate U.S. Holders, capital losses may be used to offset any capital gains (without regard to holding periods) plus ordinary income to the extent of the lesser of (a) $3,000 ($1,500 for married individuals filing separate returns) or (b) the excess of the capital losses over the capital gains. U.S. Holders, other than corporations, may carry over unused capital losses and apply them to capital gains and a portion of their ordinary income for an unlimited number of years. For corporate U.S. Holders, losses from the sale or exchange of capital assets may only be used to offset

capital gains. U.S. Holders who have more capital losses than can be used in a tax year may be allowed to carry over the excess capital losses for use in succeeding tax years. Corporate U.S. Holders may only carry over unused capital losses for the five years following the capital loss year, but are allowed to carry back unused capital losses to the three years preceding the capital loss year.

5. Ownership and Disposition of the New Term Loan Exit Facility

The following discussion is based on the principal terms of the New Term Loan Exit Facility described in the term sheets included as exhibits to the Plan, unless otherwise indicated. To the extent the terms vary, and depending on any additional terms, the federal income tax treatment may differ from that described below.

In addition, based on the preliminary terms of the New Term Loan Exit Facility, which would mandate its partial repayment upon the occurrence of certain contingencies, it is possible that the Exit Credit Facility may be treated as a "contingent payment debt instrument" ("CPDI") under the applicable Treasury regulations unless such contingencies are "remote" or "incidental" or certain other rules apply. In general, a CPDI is a debt instrument that provides for one or more contingent payments, subject to certain exceptions. Pursuant to Treasury Regulations governing the treatment of CDPIs, a U.S. Holder will be required to accrue income in respect of a CDPI for each taxable year in which such U.S. Holder holds the CDPI and may be required to include interest in taxable income in each year in excess of any interest payments (whether fixed or contingent) actually received in that year. Amounts treated as interest under these are treated as original issue discount for all purposes of the Tax Code. Upon a sale or exchange of a CPDI, any gain recognized by a U.S. Holder will generally be treated as ordinary income.

The Reorganized Debtors' determination of whether the New Term Loan Exit Facility is a CPDI will be made based on the facts and circumstances at the time of emergence, including the final agreed terms of the New Term Loan Exit Facility. No assurance can be provided that the Debtors' treatment would be sustained if challenged by the IRS. Treatment as a CPDI could affect the timing and amount of a U.S. Holder's income and could cause the gain from the sale or other disposition of the New Term Loan Exit Facility to be treated as ordinary income rather than capital gain. The remainder of this discussion assumes that the Exit Credit Facility will not be treated as a CDPI.

All holders are urged to consult their own tax advisors regarding the ownership and disposition of the New Term Loan Exit Facility.

(a) Payments of Qualified Stated Interest

Payments of qualified stated interest on the New Term Loan Exit Facility generally will be taxable to a U.S. Holder as ordinary income at the time such interest is received or accrued, in accordance with such U.S. Holder's method of tax accounting for U.S. federal income tax purposes. Qualified stated interest generally means stated interest that is unconditionally payable in cash or in property (other than debt instruments of the issuer) at least annually at a single fixed rate or a single qualified floating rate.

(b) OID and Issue Price

The New Term Loan Exit Facility will be treated as issued with OID for U.S. federal income tax purposes if the "stated redemption price at maturity" exceeds its "issue price" (discussed below) by an amount equal to or more than a statutorily defined de minimis amount (generally, 0.25% multiplied by the product of the stated redemption price at maturity and the number of complete years to maturity). Based on preliminary terms of the New Term Loan Exit Facility, the Debtors currently expect that the New Term Loan Exit Facility will be treated as issued with OID.

The "stated redemption price at maturity" of the New Term Loan Exit Facility is the total of all payments to be made under the New Term Loan Exit Facility other than qualified stated interest. The "issue price" of the New Term Loan Exit Facility generally depends on whether, at any time during the 31-day period ending 15 days after the Effective Date, the New Term Loan Exit Facility or the debt instrument for which it is exchanged therefor is considered traded on an "established market" for U.S. federal income tax purposes. However, if a substantial amount of a particular type of the New Term Loan Exit Facility is issued for cash, the "issue price" of all New Loan Obligations of that type is the first price at which a substantial amount was sold for cash (ignoring sales to bond houses, brokers or similar person acting in the capacity of underwriters, placement agents or wholesalers). This is hereafter referred to as the "cash issue-price" rule.

Pursuant to applicable Treasury Regulations, an "established market" need not be a formal market. It is sufficient if there is a readily available sales price for an executed purchase or sale of the New Term Loan Exit Facility or the debt instrument for which it is exchanged therefor, or if there are one or more "firm quotes" or "indicative quotes" with respect to the New Term Loan Exit Facility or the debt instrument for which it is exchanged therefor, in each case as such terms are defined in applicable Treasury Regulations. If the cash issue-price rule does not apply, the issue price of the New Term Loan Exit Facility generally will be determined as follows. If the New Term Loan Exit Facility is considered traded on an established market, the issue price of the New Term Loan Exit Facility for U.S. federal income tax purposes will equal its fair market value as of the Effective Date. If the New Term Loan Exit Facility is not considered traded on an established market but a substantial amount of the debt obligations for which it is exchanged is so traded, the issue price of the New Term Loan Exit Facility will be based on the fair market value of such debt obligations (with appropriate adjustments, such as for the amount of cash and other property received). Alternatively, if neither the New Term Loan Exit Facility or a substantial amount of the debt obligations for which it is exchanged is considered traded on an established market, the issue price of the New Term Loan Exit Facility generally will be its stated principal amount. If the Debtors determine that the New Term Loan Exit Facility or the debt instrument for which it is exchanged therefor is traded on an established market, such determination and the determination of issue price will be binding on a U.S. Holder unless such holder discloses, on a timely-filed U.S. federal income tax return for the taxable year that includes the acquisition date of the New Term Loan Exit Facility that such holder's determination is different from Debtors' determination, the reasons for such holder's different determination and, if applicable, how such holder determined the fair market value.

The Exit Credit Facility will be issued (together with cash) in exchange for the Allowed Revolving and Term Loan Facilities Claims and the Allowed Weberstown Term Loan Facility Claims. While the New Term Loan Exit Facility may be treated as traded on an established securities market, the relevant determination date for such purpose is the Effective Date and there can be no assurances that a trading market will exist in such claims or the New Term Loan Exit Facility between now and 15 days after the Effective Date.

(c) Accrual and Amortization of OID

If the New Term Loan Exit Facility is treated as having been issued with more than de minimis OID, U.S. Holders generally will be required to include the OID in ordinary income on an annual basis under a constant yield accrual method regardless of such U.S. Holder's regular method of accounting for U.S. federal income tax purposes. A U.S. Holder must include in income in each taxable year the sum of the daily portions of OID for each day on which it held the New Term Loan Exit Facility during the taxable year. To determine the daily portions of OID, the amount of OID allocable to an accrual period is determined, and a ratable portion of such OID is allocated to each day in the accrual period. An accrual period may be of any length and the length of the accrual periods may vary over the life of the New Term Loan Exit Facility, provided that no accrual period may be longer than one year and each scheduled payment

of interest or principal on the New Term Loan Exit Facility must occur on either the first day or last day of an accrual period. The amount of OID allocable to an accrual period will equal (A) the product of (i) the New Term Loan Exit Facility's adjusted issue price at the beginning of the accrual period and (ii) the New Term Loan Exit Facility's yield to maturity (adjusted to reflect the length of the accrual period), less (B) any qualified stated interest allocable to the accrual period.

The New Term Loan Exit Facility's adjusted issue price at any time generally will be its original issue price, increased by the amount of OID on the New Term Loan Exit Facility accrued for each prior accrual period and decreased by the amount of payments on the New Term Loan Exit Facility other than payments of qualified stated interest. The New Term Loan Exit Facility's yield to maturity is the discount rate that, when used in computing the present value of all principal and interest payments to be made on the New Term Loan Exit Facility produces an amount equal to the New Term Loan Exit Facility's original issue price.

(d) Bond Premium

If a U.S. Holder's initial tax basis in the New Term Loan Exit Facility exceeds the New Term Loan Exit Facility's stated redemption price at maturity, the New Loan Obligation will be treated as acquired by such U.S. Holder with bond premium. Generally, a U.S. Holder may elect to amortize such bond premium (or, if it results in a smaller premium, an amount computed with reference to the amount payable on an earlier call date) as an offset to interest income in respect of the New Term Loan Exit Facility, using a constant yield method as prescribed under the applicable Treasury Regulations, over the remaining term of the New Term Loan Exit Facility. A U.S. Holder that elects or has elected to amortize bond premium must reduce its basis in its New Term Loan Exit Facility by the amount of premium used to offset interest. An election to amortize bond premium, once made, applies to all debt instruments held or subsequently acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applied and may not be revoked without the consent of the IRS. U.S. Holders should consult their tax advisors regarding the availability and impact of bond premium for U.S. federal income tax purposes.

(e) Sale, Retirement or Other Taxable Disposition

A U.S. Holder of the New Term Loan Exit Facility will recognize gain or loss upon the sale, redemption, retirement or other taxable disposition of the New Term Loan Exit Facility equal to the difference between the amount realized upon the disposition (less a portion allocable to any accrued interest that has not yet been included in income by the U.S. Holder, which generally will be taxable as ordinary income) and the U.S. Holder's adjusted tax basis in the New Term Loan Exit Facility at the time of disposition. Generally, a U.S. Holder's adjusted tax basis will be equal to its initial tax basis in such obligation increased by any OID previously included in income, and reduced by cash payments received on such obligation other than payments of qualified stated interest. If applicable, a U.S. Holder's adjusted tax basis in the obligation also will be reduced by any amortizable premium which the holder has previously deducted or which is deductible in the current period. Any gain or loss on the sale, redemption, retirement or other taxable disposition of the New Term Loan Exit Facility generally will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder has held the New Term Loan Exit Facility for more than one year as of the date of disposition. U.S. Holders should consult their tax advisors regarding the applicable tax rates and netting rules for capital gains and losses. There are limitations on the deduction of capital losses by both corporate and noncorporate taxpayers. See "—Character of Gain or Loss " above.

6. Ownership and Disposition of New Common Equity

The U.S. federal income tax consequences to a U.S. Holder of ownership and disposition of New Common Equity are described below in "Consequences of the Ownership and Disposition of New Common Equity."

7. Tax Reporting for Assets Allocable to a Disputed Claims Reserve for General Unsecured Claims

On or before the Effective Date, the Debtors or Reorganized Debtors, as applicable, will establish one or more reserves with respect to amounts that would otherwise be distributable to holders of General Unsecured Claims that are Disputed Claims as of the Distribution Record Date. Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary, or the receipt of a determination by the IRS, the Debtors, the Reorganized Debtors or the Distribution Agent, as applicable, will treat such Disputed Claims reserve(s) as one or more "disputed ownership funds" governed by Treasury Regulation section 1.468B-9 and, to the extent permitted by applicable law, report consistently with the foregoing for state and local income tax purposes.

Accordingly, a Disputed Claims reserve will be subject to tax annually on a separate entity basis on any net income earned with respect to the assets of such reserve - including any gain recognized upon the disposition (including the distribution) of such assets, such as in connection with the allowance or disallowance of the applicable Disputed Claims. Accordingly, any appreciation in value in the assets held in such Disputed Claims reserve will be taxable in connection with the subsequent release of such assets from the reserve. All taxes imposed on assets or income of a Disputed Claims reserve will be payable from the assets of such Disputed Claims reserve. If a Disputed Claims reserve has insufficient Cash to pay any taxes imposed on such reserve (including any income that may arise upon the distribution of the assets in such reserve), the assets of such reserve (e.g., New Common Equity) can be sold to pay the tax liability.

All distributions to holders of Allowed Claims from a Disputed Claims reserve will be treated as if distributed directly by the Debtors in respect of such Allowed Claims. All parties (including, without limitation, the Debtors, the Reorganized Debtors, the Distribution Agent, and the holders of Unsecured Claims) will be required to report for tax purposes consistent with the foregoing.

C. Consequences to U.S. Holders of Existing Preferred Equity Interests or Existing Common Equity Interests

The following summary of U.S. federal income tax consequences to Holders of Existing Preferred Equity Interests and Existing Common Equity Interests assumes the Bankruptcy Court approves the recovery to such holders. The potential recoveries to Holders of Existing Preferred Equity Interests and Existing Common Equity Interests is described in Article III.F and Article III.G, respectively.

If the Equitization Restructuring occurs and the requisite classes vote in favor of the Plan, the exchange of Existing Preferred Equity Interests or Existing Common Equity Interests for New Common Equity is expected to qualify for recapitalization treatment for U.S. federal income tax purposes. Each U.S. Holder of Existing Preferred Equity Interests or Existing Common Equity Interests generally is not expected to recognize any gain or loss upon the exchange of its Existing Preferred Equity Interests or Existing Equity Common Interests for New Common Equity.

In a recapitalization exchange, a U.S. Holder's tax basis in the New Common Equity received should equal such U.S. Holder's adjusted tax basis in its Existing Preferred Equity Interests or Existing Common Equity Interests exchanged therefor. In general, the U.S. Holder's holding period for the New Common Equity would include the U.S. Holder's holding period for its Existing Preferred Equity Interests or Existing Common Equity Interests exchanged therefor.

If the Toggle Restructuring occurs and the requisite classes vote in favor of the Plan, each holder of Existing Preferred Equity Interests and Existing Common Equity Interests will receive its share of the Existing Equity Interests Toggle Recovery in redemption of its Existing Preferred Equity Interests and Existing Common Equity Interests. In such case, holders of Existing Preferred Equity Interests or Existing

Common Equity Interests are expected to realize gain or loss equal to the difference between the amount of cash received and their adjusted tax basis in their Existing Preferred Equity Interests or Existing Common Equity Interests.

D. Consequences to Non-U.S. Holders of Certain Claims and Interests

The following discussion includes only certain U.S. federal income tax consequences of the Plan to Non-U.S. Holders. The discussion does not include any non-U.S. tax considerations. The rules governing the U.S. federal income tax consequences to Non-U.S. Holders are complex. Each Non-U.S. Holder should consult its own tax advisor regarding the U.S. federal, state, and local and the non-U.S. tax consequences of the consummation of the Plan to such Non-U.S. Holder.

Whether a Non-U.S. Holder realizes gain or loss on the exchange and the amount of such gain or loss is determined in the same manner as set forth above in connection with U.S. Holders. See the discussion above for information regarding the determination of whether consideration received under the Plan is attributable to accrued interest.

1. Gain Recognition

Any gain realized by a Non-U.S. Holder on the exchange of its Claim or Interest generally will not be subject to U.S. federal income taxation unless (i) the Non-U.S. Holder is an individual who was present in the United States for 183 days or more during the taxable year in which the restructuring transactions occur and certain other conditions are met or (ii) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States (and if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States).

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of the exchange. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to any gain realized on the exchange if such gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States in the same manner as a U.S. Holder (except that the Medicare tax would generally not apply). In order to claim an exemption from withholding tax, such Non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or such successor form as the IRS designates). In addition, if such a Non-U.S. Holder is a corporation, it may be subject to a branch profits tax equal to 30 percent (or such lower rate provided by an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

2. Accrued but Untaxed Interest

Payments made to a Non-U.S. Holder that are attributable to accrued but untaxed interest generally will not be subject to U.S. federal income or withholding tax, provided that (i) such Non- U.S. Holder is not a bank, (ii) such Non-U.S. Holder does not actually or constructively own 10 percent or more of the total capital or profits interests in WPG LP (with respect to payments of interest on the Revolving and Term Loan Facilities Claims, Weberstown Loan Facility Claims or Section 510(b) Claims) or the Reorganized WPG LP (with respect to payments of interest on the Exit Facilities) and (iii) the withholding agent has received or receives, prior to payment, appropriate documentation (generally, IRS Form W-8BEN or W-8BEN-E) establishing that the Non-U.S. Holder is not a U.S. person, unless such interest is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States (in which case, provided the Non-U.S. Holder provides a properly executed IRS Form W-8ECI (or successor form) to the withholding agent, the Non-U.S. Holder (x) generally will not be subject to withholding tax,

but (y) will be subject to U.S. federal income tax in the same manner as a U.S. Holder (unless an applicable income tax treaty provides otherwise), and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the accrued but untaxed interest at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty)). A Non-U.S. Holder that does not qualify for exemption from withholding tax with respect to accrued but untaxed interest that is not effectively connected income generally will be subject to withholding of U.S. federal income tax at a 30 percent rate (or at a reduced rate or exemption from tax under an applicable income tax treaty) on payments that are attributable to accrued but untaxed interest. For purposes of providing a properly executed IRS Form W-8BEN or W-8BEN-E, special procedures are provided under applicable Treasury Regulations for payments through qualified foreign intermediaries or certain financial institutions that hold customers' securities in the ordinary course of their trade or business.

3. FIRPTA

Under the Foreign Investment in Real Property Tax Act ("FIRPTA"), gain on the disposition of certain investments in U.S. real property, including interests in corporations (including REITs) the assets of which predominantly consist of interests in U.S. real property (in each case other than an interest solely as a creditor) ("USRPIs") is generally subject to U.S. federal income tax in the hands of Non-U.S. Holders and treated as effectively connected income ("ECI") that is subject to U.S. federal net income tax even if a Non-U.S. Holder is not otherwise engaged in a U.S. trade or business. It is expected that shares of New Common Equity will be considered USRPIs, subject to the availability of any applicable exception (discussed below).

This discussion assumes there are no Non-U.S. Holders of Existing Common Equity Units and, therefore, does not address the U.S. federal income tax consequences to such holders.

Under the FIRPTA rules, if any class of stock (including warrants to acquire such stock) of a REIT is regularly traded on an established securities market, a Non-U.S. Holder that holds 10% or less of such class of stock (including warrants to acquire such stock) will not be subject to substantive FIRPTA taxation or FIRPTA withholding upon a disposition of its shares, and FIRPTA withholding upon dispositions will generally be inapplicable. Additionally, under the applicable FIRPTA regulations, other interests in a regularly traded REIT may qualify for the exception described above, although certain modifications may apply to the methodology for determining whether the 10% threshold is exceeded depending generally on the type of interest and whether the interest is considered "regularly traded" for FIRPTA purposes.

In addition, under the domestically controlled REIT exception, if Non-U.S. Holders own less than 50% (by value) of the stock of a REIT at all times during a specific period, the interests in such REIT will not be treated as a USRPI and, as a result, a Non-U.S. Holder would not be subject to substantive taxation under FIRPTA or FIRPTA withholding upon a disposition of its shares in any such REIT. No assurance can be given that WPG Inc. will be a domestically controlled REIT at emergence or thereafter.

Non-U.S. Holders of Existing Preferred Equity Interests and Existing Common Equity Interests should consult with their own tax advisors regarding the complex tax rules that govern the disposition of a USRPI.

4. FATCA

Pursuant to the Foreign Account Tax Compliance Act ("FATCA"), withholding at a rate of 30% generally will be required on certain U.S.-source payments such as dividends on and, potentially in the future, the gross proceeds of a disposition of assets that can produce certain U.S. source payments including dividends and interest held by or through (i) a foreign financial institution (including investment funds) that

does not qualify under certain exemptions, unless such institution enters into, and complies with, an agreement with the United States government to collect and provide to the United States tax authorities (or, pursuant to an applicable intergovernmental agreement, such institution provides the required information to the tax authority of such institution's jurisdiction of tax residence) substantial information regarding United States account holders of such institution (which would include certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with United States owners) and agrees to withhold on certain payments or (ii) a foreign entity that is not a financial institution that does not qualify under certain exemptions, unless such entity certifies to the applicable withholding agent that such entity does not have "substantial United States owners" (as defined in the Tax Code) (which generally includes any United States person who directly or indirectly owns more than 10% of the entity) or provides the applicable withholding agent with information regarding the entity's substantial United States owners, which the withholding agent will in turn provide to the United States government. Accordingly, the entity through which the Claim or Interest is held will affect the determination of whether such withholding is required. Foreign financial institutions and foreign entities that are not financial institutions may be subject to the provisions of an intergovernmental agreement between the United States and the jurisdiction in which such financial institution or foreign entity is located that may modify these requirements. A holder of consideration received pursuant to the Plan should consult its own tax advisors regarding these rules and whether they may be relevant to the ownership and disposition of the consideration received pursuant to the Plan. Proposed Treasury Regulations, upon which taxpayers are permitted to rely, currently suspend indefinitely the application of withholding under FATCA to gross proceeds from the disposition of assets that can produce certain U.S. source payments including dividends and interest.

Both U.S. Holders and Non-U.S. Holders should consult their tax advisors regarding the possible impact of these rules on such holders' exchange of any of its Claims or Interests pursuant to the Plan.

E. Consequences of the Ownership and Disposition of New Common Equity

1. Taxation of Reorganized WPG

WPG Inc. has elected to be taxed as a real estate investment trust under sections 856 through 860 of the Tax Code. The Debtors believe that WPG Inc. has been organized and operated in such a manner that has allowed it to qualify for taxation as a real estate investment trust under the applicable provisions of the Tax Code, commencing with such taxable year. It is possible that Reorganized WPG will continue to be organized and operated in this manner and the rest of the discussion so assumes.

Reorganized WPG's qualification and taxation as a real estate investment trust depends on its ability to meet on a continuing basis, through actual operating results, distribution levels, and diversity of share ownership, various qualification requirements imposed upon real estate investment trusts by the Tax Code. Reorganized WPG's ability to qualify to be taxed as a real estate investment trust also requires that it satisfy certain asset tests, some of which depend upon the fair market values of assets that Reorganized WPG owns directly or indirectly. Such fair market values may not be susceptible to a precise determination. Accordingly, no assurance can be given that the actual results of Reorganized WPG's operations for any taxable year will satisfy such requirements for qualification and taxation as a real estate investment trust.

Holders of Claims or Interests receiving New Common Equity should consult with their own tax advisors regarding the complex tax rules that govern the tax consequences of owning New Common Equity.

2. U.S. Holders

The following is a summary of certain material U.S. federal income tax consequences of the ownership and disposition of the New Common Equity applicable to taxable U.S. Holders.

For any taxable year for which Reorganized WPG qualifies for taxation as a real estate investment trust, amounts distributed to taxable U.S. Holders will be taxed as follows.

(a) Distributions Generally

Distributions to U.S. Holders, other than capital gain dividends discussed below, will constitute dividends to those holders up to the amount of Reorganized WPG's current or accumulated earnings and profits and are taxable to the stockholders as ordinary income. These distributions are not eligible for the dividends-received deduction for corporations. To the extent that Reorganized WPG makes distributions in excess of its current or accumulated earnings and profits, the distributions will first be treated as a tax-free return of capital, reducing the tax basis in the U.S. Holder's shares, and distributions in excess of the U.S. Holder's tax basis in its shares are taxable as capital gain realized from the sale of the shares. Dividends declared by Reorganized WPG in October, November or December of any year payable to a U.S. Holder of record on a specified date in any of these months will be treated as both paid by Reorganized WPG and received by the U.S. Holder on December 31 of the year, provided that Reorganized WPG actually pays the dividend during January of the following calendar year. U.S. Holders may not include on their own income tax returns any of Reorganized WPG's tax losses.

In general, dividends paid by real estate investment trusts are not eligible for the reduced tax rates on "qualified dividend income" and, as a result, Reorganized WPG's ordinary real estate investment trust dividends will continue to be taxed at the higher ordinary income tax rate. However, dividends received by a noncorporate stockholder could be treated as "qualified dividend income" to the extent Reorganized WPG has dividend income from taxable corporations (such as a taxable real estate investment trust subsidiary) and to the extent Reorganized WPG's dividends are attributable to income that is subject to tax at Reorganized WPG level (for example, if Reorganized WPG distributed less than 100% of its taxable income). In general, to qualify for the reduced tax rate on qualified dividend income, a stockholder must hold Reorganized WPG's stock for more than 60 days during the 121 -day period beginning on the date that is 60 days before the date on which the New Common Equity becomes ex-dividend. Pursuant to section 857(g) of the Tax Code, the aggregate amount of dividends designated by Reorganized WPG as qualified dividend income or capital gain dividends (discussed below) with respect to any taxable year is limited to the amount of dividends paid by Reorganized WPG with respect to such year. For these purposes, dividends paid after the close of the taxable year pursuant to section 858 of the Tax Code shall be treated as paid with respect to such year.

Reorganized WPG will be treated as having sufficient earnings and profits to treat as a dividend any distribution it makes up to the amount required to be distributed in order to avoid imposition of the 4% excise tax under section 4981 of the Tax Code. As a result, Reorganized WPG stockholders may be required to treat certain distributions that would otherwise result in a tax-free return of capital as taxable dividends. Moreover, any deficiency dividend will be treated as a dividend - an ordinary dividend or a capital gain dividend, as the case may be - regardless of Reorganized WPG's earnings and profits.

Under the Tax Cuts and Jobs Act of 2017, for tax years beginning after December 31, 2017 and prior to January 1, 2026, noncorporate stockholders are generally eligible to deduct up to 20% of the amount of ordinary real estate investment trust dividends that are not designated as capital gain dividends or qualified dividend income, subject to certain limitations.

(b) Dividends Paid Through a Combination of Cash and Issuance of Additional Shares of Stock

To maintain Reorganized WPG's qualification as a real estate investment trust, Reorganized WPG is required each year to distribute to stockholders at least 90% of its net taxable income after certain adjustments. Reorganized WPG reserves the right to pay any or all of its quarterly New Common Equity

dividends in a combination of shares of New Common Equity and cash in accordance with any applicable IRS guidance. As a result of such a distribution, a U.S. Holder generally must include the sum of the value of the New Common Equity and the amount of cash received in its gross income as dividend income to the extent that such holder's share of such a distribution is made out of its share of the portion of Reorganized WPG's current and accumulated earnings and profits allocable to such distribution. The value of any New Common Equity received as part of a distribution generally is equal to the amount of cash that could have been received instead of the New Common Equity. Depending on the circumstances of the holder, the tax on the distribution may exceed the amount of the distribution received in cash, in which case such U.S. Holder would have to pay the tax using cash from other sources. If a U.S. Holder sells the stock it receives as a dividend in order to pay this tax and the sales proceeds are less than the amount required to be included in income with respect to the dividend, such holder could have a capital loss with respect to the stock sale that could not be used to offset such dividend income. (Furthermore, with respect to Non-U.S. Holders, Reorganized WPG may be required to withhold U.S. tax with respect to such dividend, including the portion that is payable in stock. For additional information, see "—Non-U.S. Holders" below.) A holder that receives New Common Equity pursuant to a distribution generally has a tax basis in such New Common Equity equal to the amount of cash that could have been received instead of such common stock, and a holding period in such New Common Equity that begins on the payment date for the distribution.

Future dividends are determined in the discretion of Reorganized WPG's board of directors and depend on actual and projected cash flow, financial condition, funds from operations, earnings, capital requirements, the annual real estate investment trust distribution requirements, contractual prohibitions or other restrictions, applicable law and such other factors as Reorganized WPG's board of directors deems relevant.

(c) Capital Gain Dividends

Dividends to U.S. Holders that Reorganized WPG properly designates as capital gain dividends will be treated as long-term capital gain, to the extent they do not exceed Reorganized WPG's actual net capital gain and to the extent they do not exceed the limitation under section 857(g) of the Tax Code discussed above, for the taxable year without regard to the period for which the stockholder has held its stock. Capital gain dividends are not eligible for the dividends-received deduction for corporations, and, corporate stockholders may be required to treat up to 20% of certain capital gain dividends as ordinary income.

Noncorporate taxpayers are generally taxable at a current maximum tax rate of 20% for long-term capital gain, but such capital gains also will be subject to the 3.8% Medicare tax on certain U.S. Holders. *See* "—Medicare Tax" below. A portion of any capital gain dividends received by noncorporate taxpayers might be subject to tax at a 25% rate to the extent attributable to gains realized on the sale of real property that correspond to Reorganized WPG's "unrecaptured section 1250 gain."

If Reorganized WPG elects to retain capital gains rather than distribute them, a U.S. Holder will be deemed to receive a capital gain dividend equal to the amount of its proportionate share of the retained capital gains. In this case, a U.S. Holder will receive certain tax credits and basis adjustments reflecting the deemed distribution and deemed payment of taxes by the U.S. Holder.

(d) Passive Activity loss and Investment Interest limitations

Reorganized WPG's distributions and gain from the disposition of New Common Equity, will not be treated as passive activity income and, therefore, U.S. Holders may not be able to apply any passive losses against this income or gain. Reorganized WPG's dividends, to the extent they do not constitute a return of capital, will generally be treated as investment income for purposes of the investment income limitation. Net capital gain from the disposition of New Common Equity and capital gains generally will

be eliminated from investment income unless the taxpayer elects to have the gain taxed at ordinary income rates.

(e) Certain Dispositions of New Common Equity

A U.S. Holder will recognize gain or loss on any taxable sale or other disposition of New Common Equity in an amount equal to the difference between (1) the amount of cash and the fair market value of any property received on the sale or other disposition and (2) the U.S. Holder's adjusted basis in the New Common Equity. This gain or loss generally will be a capital gain or loss, and will be long-term capital gain or loss if the holder held the securities for more than one year. Noncorporate U.S. Holders are generally taxable at a current maximum rate of 20% on long-term capital gain, but such capital gains also will be subject to the 3.8% Medicare tax on certain U.S. Holders. *See* "—Medicare Tax" below. The IRS has the authority to prescribe, but has not yet prescribed, regulations that would apply a capital gain tax rate of 25% (which is generally higher than the long-term capital gain tax rates for noncorporate U.S. Holders) to a portion of capital gain realized by a noncorporate U.S. Holder on the sale of Reorganized WPG's stock that would correspond to Reorganized WPG's "unrecaptured section 1250 gain." U.S. Holders are urged to consult with their own tax advisors with respect to their capital gain tax liability. Generally, a corporate U.S. Holder will be subject to tax at a rate of 21% on capital gain from the sale of New Common Equity regardless of its holding period for the stock.

In general, any loss upon a sale or exchange of New Common Equity by a U.S. Holder who has held such stock for six months or less (after applying certain holding period rules) will be treated as a long-term capital loss, to the extent distributions (actually made or deemed made in accordance with the discussion above) from Reorganized WPG are required to be treated by such U.S. Holder as long-term capital gain.

(f) FATCA

Certain U.S. Holders may be subject to a withholding tax under FATCA. For a discussion of the potential consequences under FATCA, see "D. Consequences to Non-U.S. Holders of Certain Claims and Interests—FATCA" above.

(g) Medicare Tax

A 3.8% Medicare tax is imposed on certain U.S. Holders who are individuals, estates or trusts and whose income exceeds certain thresholds. This tax applies to dividends on and gain from the disposition of Reorganized WPG's shares. U.S. Holders are encouraged to consult their own tax advisors regarding the implications of the Medicare tax on their ownership of New Common Equity.

3. Non-U.S. Holders

The following is a summary of certain U.S. federal income tax consequences of the ownership and disposition of New Common Equity applicable to Non-U.S. Holders.

The rules governing United States income taxation of Non-U.S. Holders are complex, and the following discussion is intended only as a summary of these rules. The discussion does not consider any specific facts or circumstances that may apply to a particular Non-U.S. Holder. Special rules may apply to certain Non-U.S. Holders such as "controlled foreign corporations" and "passive foreign investment companies." Non-U.S. Holders should consult with their own tax advisors to determine the impact of U.S. federal, state and local income tax laws on the ownership and disposition of New Common Equity, including any reporting requirements.

(a) Ordinary Dividends

The portion of dividends received by Non-U.S. Holders payable out of Reorganized WPG's current and accumulated earnings and profits which are not attributable to capital gains and which are not effectively connected with a U.S. trade or business of the Non-U.S. Holder will be subject to U.S. withholding tax at the rate of 30% (unless reduced by an applicable income tax treaty). In general, Non-U.S. Holders will not be considered engaged in a U.S. trade or business solely as a result of their ownership of New Common Equity. In cases where the dividend income from a Non-U.S. Holder's ownership of New Common Equity is effectively connected with the Non-U.S. Holder's conduct of a U.S. trade or business (or, if an income tax treaty applies, is attributable to a U.S. permanent establishment of the Non- U.S. Holder), the Non-U.S. Holder generally will be subject to U.S. tax at graduated rates, in the same manner as U.S. Holders are taxed with respect to such dividends (and may also be subject to the 30% branch profits tax in the case of a corporate Non-U.S. Holder).

(b) Non-Dividend Distributions

Unless Reorganized WPG's stock constitutes a USRPI, distributions by Reorganized WPG which are not paid out of its current and accumulated earnings and profits will not be subject to U.S. income or withholding tax. If it cannot be determined at the time a distribution is made whether or not such distribution will be in excess of Reorganized WPG's current and accumulated earnings and profits, the distribution will be subject to withholding at the rate applicable to dividends. However, the Non-U.S. Holder may seek a refund of such amounts from the IRS if it is subsequently determined that such distribution was, in fact, in excess of Reorganized WPG's current and accumulated earnings and profits. If Reorganized WPG's New Common Equity constitutes a USRPI, a distribution in excess of current and accumulated earnings and profits will be subject to a 10% withholding tax and may be subject to additional taxation under FIRPTA. However, the 10% withholding tax will not apply to distributions already subject to the 30% dividend withholding.

A Non-U.S. Holder generally should expect Reorganized WPG to withhold U.S. federal income tax at the rate of 30% on the gross amount of any distributions of ordinary income made to a Non-U.S. Holder unless (1) a lower treaty rate applies and proper certification is provided or (2) the Non-U.S. Holder files an IRS Form W- 8ECI with Reorganized WPG claiming that the distribution is effectively connected with the Non-U.S. Holder's conduct of a U.S. trade or business (or, if an income tax treaty applies, is attributable to a U.S. permanent establishment of the Non-U.S. Holder). However, the Non-U.S. Holder may seek a refund of such amounts from the IRS if it is subsequently determined that such distribution was, in fact, in excess of Reorganized WPG's current and accumulated earnings and profits.

(c) Capital Gain Dividends

Under FIRPT A, a distribution made by Reorganized WPG to a Non-U.S. Holder, to the extent attributable to gains ("USRPI Capital Gains") from dispositions of USRPIs, will be considered effectively connected with a U.S. trade or business of the Non-U.S. Holder and therefore will be subject to U.S. income tax at the rates applicable to U.S. Holders, without regard to whether such distribution is designated as a capital gain dividend. The properties owned by WPG LP generally are USRPIs. Distributions subject to FIRPTA may also be subject to a 30% branch profits tax in the hands of a corporate Non-U.S. Holder that is not entitled to treaty exemption. Notwithstanding the preceding, distributions received on New Common Equity, to the extent attributable to USRPI Capital Gains, will not be treated as gain recognized by the Non-U.S. Holder from the sale or exchange of a USRPI if (1) the New Common Equity is regularly traded on an established securities market located in the United States and (2) the Non-U.S. Holder did not own more than 10% of such class of stock at any time during the 1 -year period ending on the date of the distribution. The distribution will instead be treated as an ordinary dividend to the Non-U.S. Holder, and the tax consequences to the Non-U.S. Holder will be as described above under "—Ordinary Dividends."

Distributions attributable to Reorganized WPG's capital gains which are not USRPI Capital Gains generally will not be subject to income taxation, unless (1) investment in the shares is effectively connected with the Non-U.S. Holder's U.S. trade or business (or, if an income tax treaty applies, is attributable to a U.S. permanent establishment of the Non-U.S. Holder), in which case the Non-U.S. Holder will be subject to the same treatment as U.S. Holders with respect to such gain (except that a corporate Non-U.S. Holder may also be subject to the 30% branch profits tax) or (2) the Non-U.S. Holder is a non-resident alien individual who is present in the United States for 183 days or more during the taxable year and certain other conditions are present, in which case the nonresident alien individual will be subject to a 30% tax on the individual's capital gains.

Reorganized WPG generally will be required to withhold and remit to the IRS 21% (or 20% to the extent provided in Treasury Regulations) of any distributions to Non-U.S. Holders that are designated as capital gain dividends, or, if greater, 21% of a distribution that could have been designated as a capital gain dividend. Distributions can be designated as capital gains to the extent of Reorganized WPG's net capital gain for the taxable year of the distribution. The amount withheld is creditable against the Non-U.S. Holder's U.S. federal income tax liability. This withholding will not apply to any amounts paid to a holder of not more than 10% of Reorganized WPG's common shares while such shares are regularly traded on an established securities market. Instead, those amounts will be treated as described above under "—Ordinary Dividends."

(d) Sale of New Common Equity

Unless New Common Equity does not constitute a USRPI, a sale of New Common Equity by a Non-U.S. Holder generally will not be subject to U.S. federal income taxation unless (1) investment in the New Common Equity is effectively connected with the Non-U.S. Holder's U.S. trade or business, in which case, as discussed above, the Non-U.S. Holder would be subject to the same treatment as U.S. Holders on the gain, (2) investment in the New Common Equity is attributable to a permanent establishment that the Non-U.S. Holder maintains in the United States if that is required by an applicable income tax treaty as a condition for subjecting the Non-U.S. Holder to U.S. taxation on a net income basis, in which case the same treatment would apply to the Non-U.S. Holder as to U.S. Holders with respect to the gain or (3) the Non-U.S. Holder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and who has a tax home in the United States, in which case the nonresident alien individual will be subject to a 30% tax on the individual's capital gain.

The New Common Equity will constitute a USRPI unless Reorganized WPG is a domestically controlled real estate investment trust at all times during a specified period. A domestically controlled real estate investment trust is a real estate investment trust in which at all times during a specified testing period less than 50% in value of its shares is held directly or indirectly by Non-U.S. Holders. No assurance can be given that Reorganized WPG will be a domestically controlled real estate investment trust at emergence or thereafter.

If the gain on the sale of New Common Equity is subject to taxation under FIRPTA, a Non-U.S. Holder will be subject to U.S. income tax (including any alternative minimum tax) on any gain and withholding on proceeds. Non-U.S. Holders are urged to consult their tax advisors regarding the U.S. federal, state, local and foreign income and other tax consequences of owning New Common Equity.

F. Information Reporting and Backup Withholding

The Debtors will withhold all amounts required by law to be withheld from payments of interest and dividends. The Debtors will comply with all applicable reporting requirements of the Tax Code. In general, information reporting requirements may apply to distributions or payments made to a holder of a Claim or Interest under the Plan. Additionally, under the backup withholding rules, a holder of a Claim or

Interest may be subject to backup withholding with respect to distributions or payments made pursuant to the Plan unless, in the case of a U.S. Holder, such U.S. Holder provides a properly executed IRS Form W-9 and, in the case of Non-U.S. Holder, such Non-U.S. Holder provides a properly executed applicable IRS Form W-8 (or otherwise establishes such Non-U.S. Holder's eligibility for an exemption). The current backup withholding rate is 24 percent. Backup withholding is not an additional tax but is, instead, an advance payment that may entitle the holder to a refund from the IRS to the extent it results in an overpayment of tax, provided that the required information is provided to the IRS.

THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. THE FOREGOING DISCUSSION DOES NOT ADDRESS ALL ASPECTS OF U.S. FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER IN LIGHT OF SUCH HOLDER'S CIRCUMSTANCES AND INCOME TAX SITUATION. ALL HOLDERS OF CLAIMS OR INTERESTS SHOULD CONSULT WITH THEIR INDEPENDENT TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL, OR FOREIGN TAX LAWS, AND OF ANY CHANGE IN APPLICABLE TAX LAWS.

XII. RECOMMENDATION OF THE DEBTORS

In the opinion of the Debtors, the Plan is preferable to all other available alternatives and provides for a larger distribution to the Debtors' creditors and equity holders than would otherwise result in any other scenario. Accordingly, the Debtors recommend that Holders of Claims and Interests entitled to vote on the Plan vote to accept the Plan and support Confirmation of the Plan.

Dated: June 23, 2021

Washington Prime Group Inc.
on behalf of itself and all other Debtors

/s/ Mark E. Yale
Name: Mark E. Yale
Title: Executive Vice President and
Chief Financial Officer
Washington Prime Group Inc.

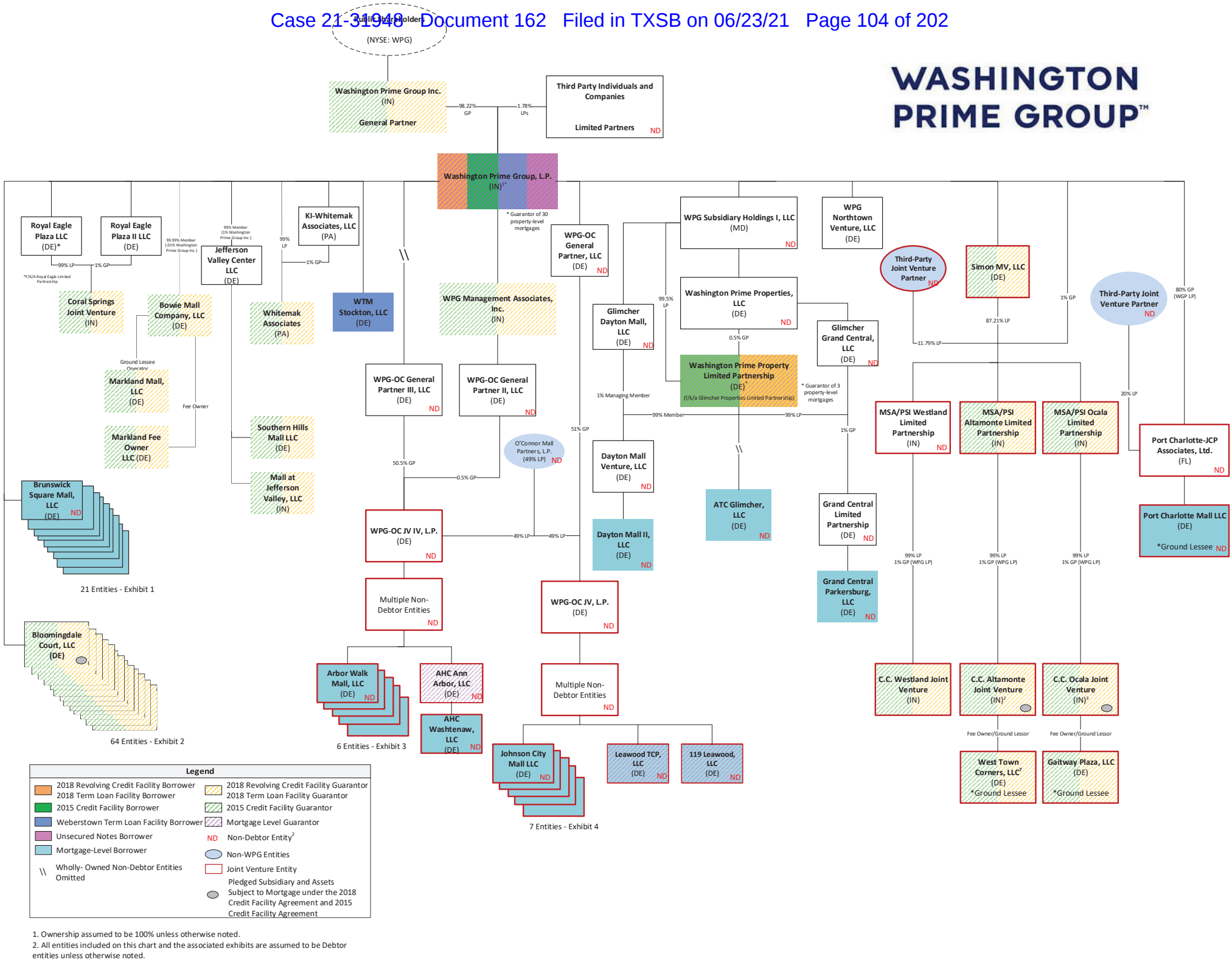
EXHIBIT A

Plan of Reorganization

[Filed Separately]

EXHIBIT B

Organizational Structure



1. Ownership assumed to be 100% unless otherwise noted.
2. All entities included on this chart and the associated exhibits are assumed to be Debtor entities unless otherwise noted.

Exhibit 1

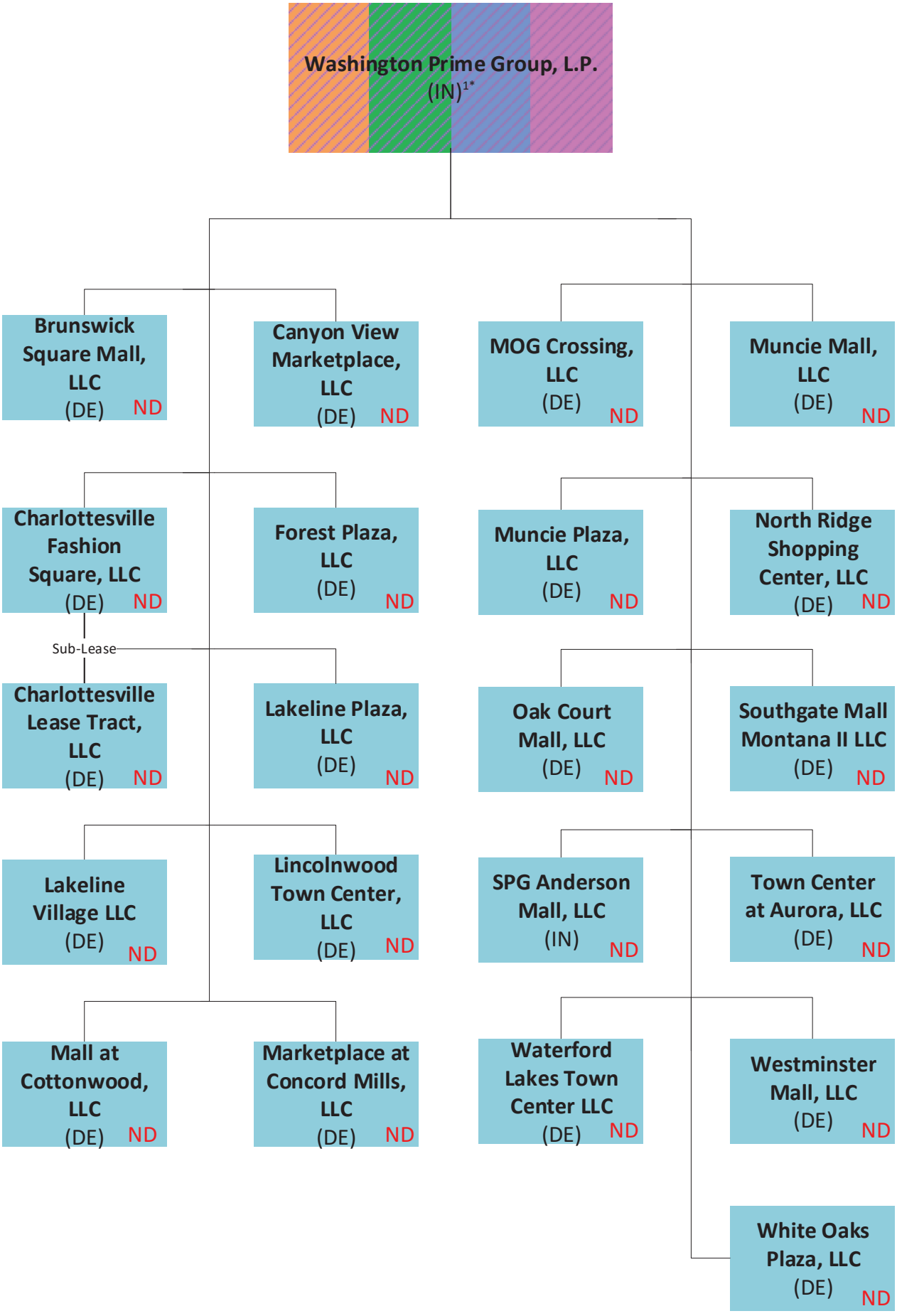

Washington Prime Group, L.P.
(IN)[1*]
Brunswick Square Mall, LLC
(DE) ND
Canyon View Marketplace, LLC
(DE) ND
MOG Crossing, LLC
(DE) ND
Muncie Mall, LLC
(DE) ND
Charlottesville Fashion Square, LLC
(DE) ND
Forest Plaza, LLC
(DE) ND
Muncie Plaza, LLC
(DE) ND
North Ridge Shopping Center, LLC
(DE) ND
Sub-Lease
Charlottesville Lease Tract, LLC
(DE) ND
Lakeline Plaza, LLC
(DE) ND
Oak Court Mall, LLC
(DE) ND
Southgate Mall Montana II LLC
(DE) ND
Lakeline Village LLC
(DE) ND
Lincolnwood Town Center, LLC
(DE) ND
SPG Anderson Mall, LLC
(IN) ND
Town Center at Aurora, LLC
(DE) ND
Mall at Cottonwood, LLC
(DE) ND
Marketplace at Concord Mills, LLC
(DE) ND
Waterford Lakes Town Center LLC
(DE) ND
Westminster Mall, LLC
(DE) ND
White Oaks Plaza, LLC
(DE) ND

Exhibit 2

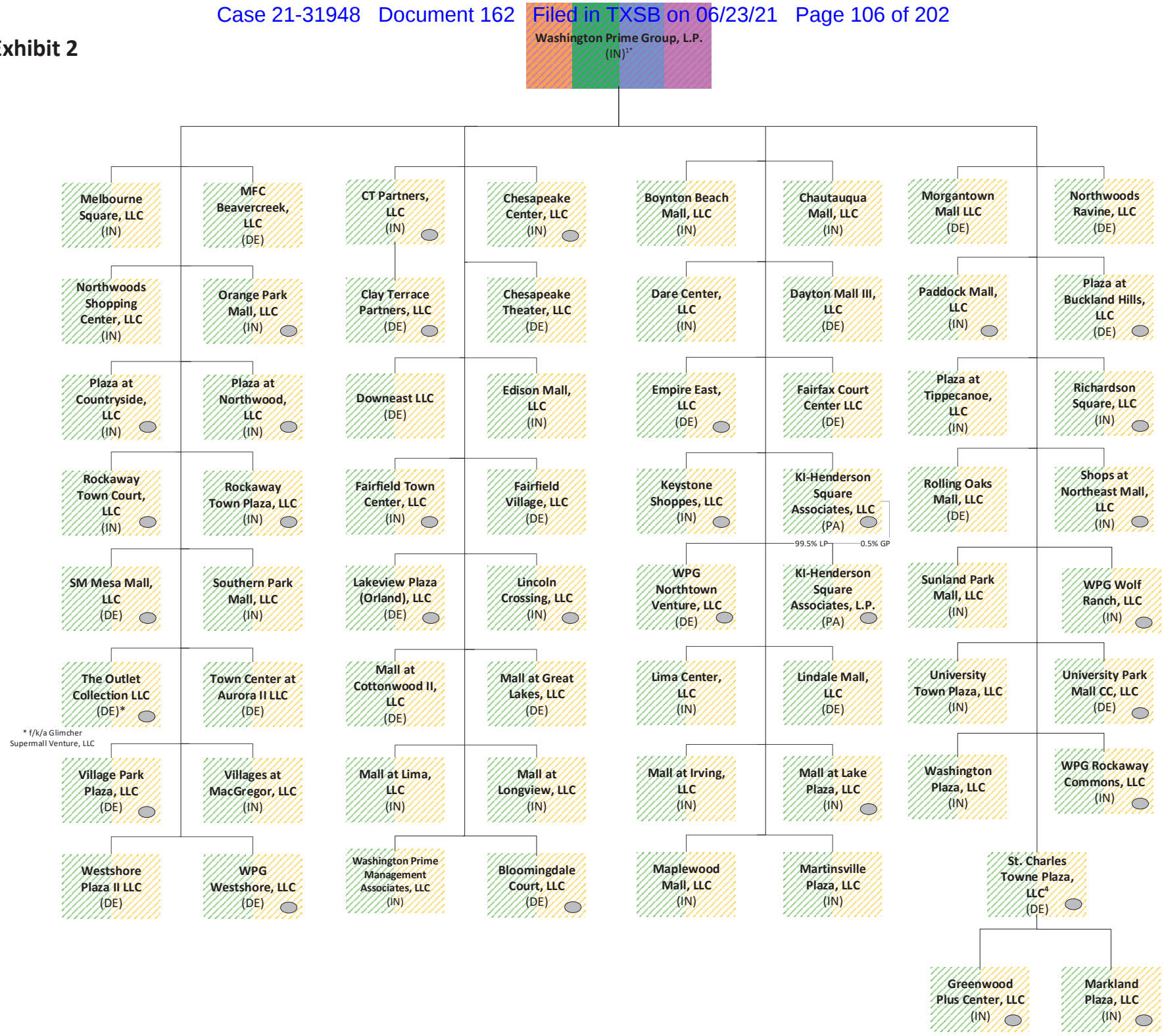

Washington Prime Group, L.P. (IN)[1*]
Melbourne Square, LLC (IN)
MFC Beavercreek, LLC (DE)
CT Partners, LLC (IN)
Chesapeake Center, LLC (IN)
Boynton Beach Mall, LLC (IN)
Chautauqua Mall, LLC (IN)
Morgantown Mall LLC (DE)
Northwoods Ravine, LLC (DE)
Northwoods Shopping Center, LLC (IN)
Orange Park Mall, LLC (IN)
Clay Terrace Partners, LLC (DE)
Chesapeake Theater, LLC (DE)
Dare Center, LLC (IN)
Dayton Mall III, LLC (DE)
Paddock Mall, LLC (IN)
Plaza at Buckland Hills, LLC (DE)
Plaza at Countryside, LLC (IN)
Plaza at Northwood, LLC (IN)
Downeast LLC (DE)
Edison Mall, LLC (IN)
Empire East, LLC (DE)
Fairfax Court Center LLC (DE)
Plaza at Tippecanoe, LLC (IN)
Richardson Square, LLC (IN)
Rockaway Town Court, LLC (IN)
Rockaway Town Plaza, LLC (IN)
Fairfield Town Center, LLC (IN)
Fairfield Village, LLC (DE)
Keystone Shoppes, LLC (IN)
KI-Henderson Square Associates, LLC (PA)
99.5% LP
0.5% GP
Rolling Oaks Mall, LLC (DE)
Shops at Northeast Mall, LLC (IN)
SM Mesa Mall, LLC (DE)
Southern Park Mall, LLC (IN)
Lakeview Plaza (Orland), LLC (DE)
Lincoln Crossing, LLC (IN)
WPG Northtown Venture, LLC (DE)
KI-Henderson Square Associates, L.P. (PA)
Sunland Park Mall, LLC (IN)
WPG Wolf Ranch, LLC (IN)
The Outlet Collection LLC (DE)*
Town Center at Aurora II LLC (DE)
Mall at Cottonwood II, LLC (DE)
Mall at Great Lakes, LLC (DE)
Lima Center, LLC (IN)
Lindale Mall, LLC (DE)
University Town Plaza, LLC (IN)
University Park Mall CC, LLC (DE)
* f/k/a Glimcher Supermall Venture, LLC
Village Park Plaza, LLC (DE)
Villages at MacGregor, LLC (IN)
Mall at Lima, LLC (IN)
Mall at Longview, LLC (IN)
Mall at Irving, LLC (IN)
Mall at Lake Plaza, LLC (IN)
Washington Plaza, LLC (IN)
WPG Rockaway Commons, LLC (IN)
Westshore Plaza II LLC (DE)
WPG Westshore, LLC (DE)
Washington Prime Management Associates, LLC (IN)
Bloomingdale Court, LLC (DE)
Maplewood Mall, LLC (IN)
Martinsville Plaza, LLC (IN)
St. Charles Towne Plaza, LLC[4] (DE)
Greenwood Plus Center, LLC (IN)
Markland Plaza, LLC (IN)

Exhibit 3

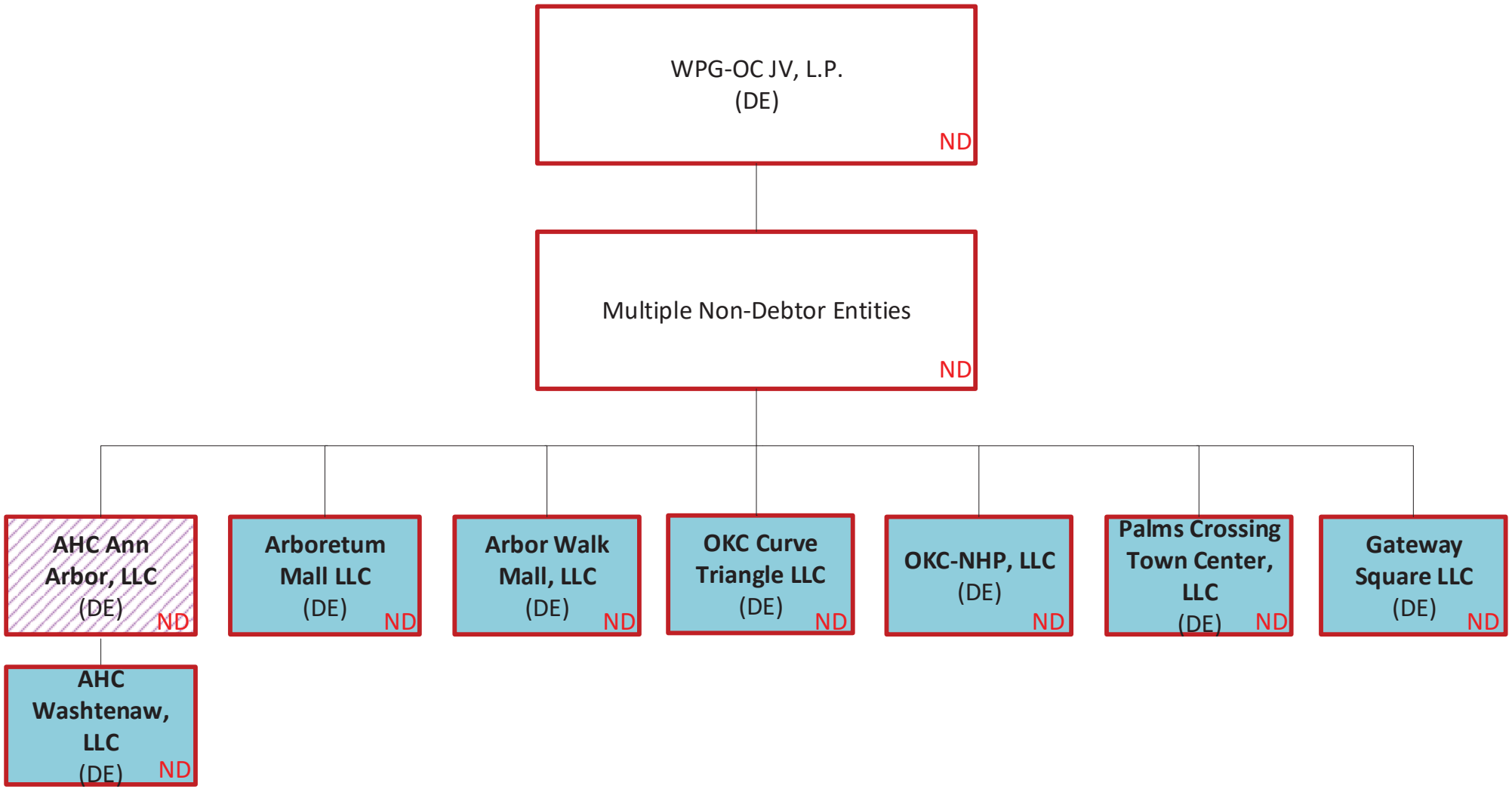
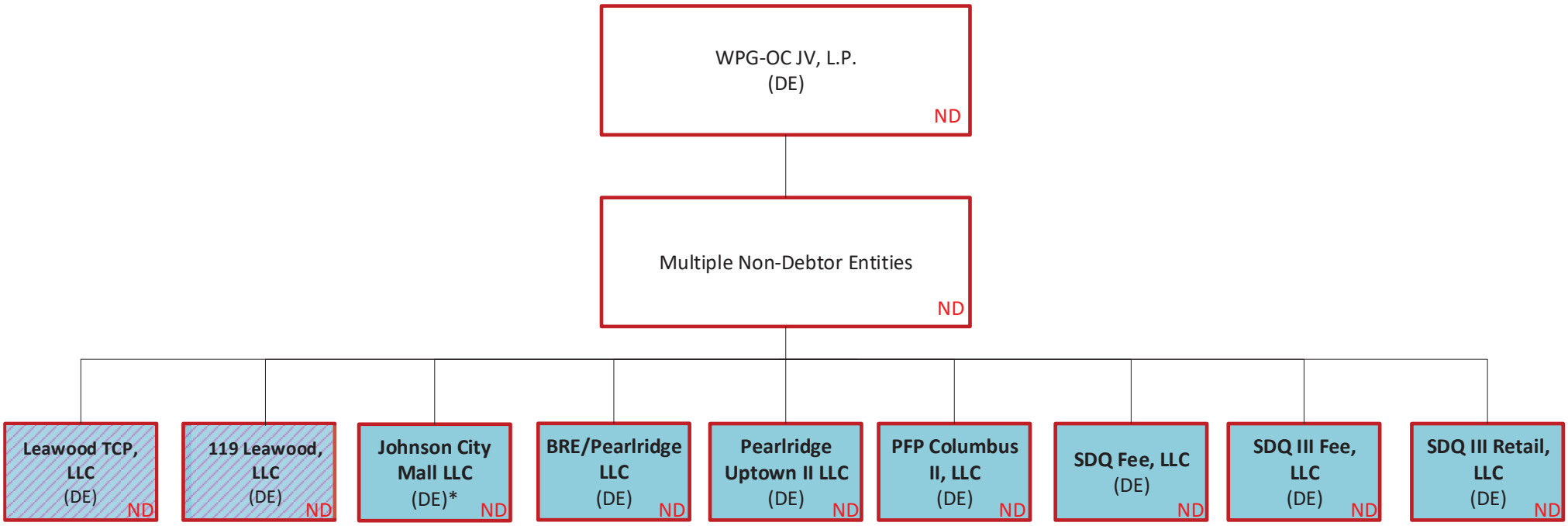

WPG-OC JV, L.P.
(DE)
ND
Multiple Non-Debtor Entities
ND
AHC Ann Arbor, LLC
(DE)
ND
Arboretum Mall LLC
(DE)
ND
Arbor Walk Mall, LLC
(DE)
ND
OKC Curve Triangle LLC
(DE)
ND
OKC-NHP, LLC
(DE)
ND
Palms Crossing Town Center, LLC
(DE)
ND
Gateway Square LLC
(DE)
ND
AHC Washtenaw, LLC
(DE)
ND

Exhibit 4



*f/k/a Glimcher MJC, LLC

EXHIBIT C

Restructuring Support Agreement

THIS RESTRUCTURING SUPPORT AGREEMENT IS THE PRODUCT OF SETTLEMENT DISCUSSIONS AMONG THE PARTIES THERETO. ACCORDINGLY, THIS RESTRUCTURING SUPPORT AGREEMENT IS PROTECTED BY RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND ANY OTHER APPLICABLE STATUTES OR DOCTRINES PROTECTING THE USE OR DISCLOSURE OF CONFIDENTIAL SETTLEMENT DISCUSSIONS.

THIS RESTRUCTURING SUPPORT AGREEMENT IS NOT AN OFFER OR ACCEPTANCE WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE BANKRUPTCY CODE.

THIS RESTRUCTURING SUPPORT AGREEMENT DOES NOT PURPORT TO SUMMARIZE ALL OF THE TERMS, CONDITIONS, REPRESENTATIONS, WARRANTIES, AND OTHER PROVISIONS WITH RESPECT TO THE TRANSACTIONS DESCRIBED HEREIN, WHICH TRANSACTIONS WILL BE SUBJECT TO THE COMPLETION OF DEFINITIVE DOCUMENTS INCORPORATING THE TERMS SET FORTH HEREIN AND THE CLOSING OF ANY TRANSACTION SHALL BE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN SUCH DEFINITIVE DOCUMENTS AND THE APPROVAL RIGHTS OF THE PARTIES SET FORTH HEREIN AND IN SUCH DEFINITIVE DOCUMENTS.

RESTRUCTURING SUPPORT AGREEMENT

This RESTRUCTURING SUPPORT AGREEMENT (including all exhibits, annexes, and schedules hereto in accordance with Section 15.03, in each case, as may be amended, amended and restated, supplemented, or otherwise modified from time to time, in accordance with the terms hereof, this "**Agreement**") is made and entered into as of June 11, 2021 (the "**Execution Date**"), by and among the following parties (each of the following described in sub-clauses (i) through (v) of this preamble, collectively, the "**Parties**"):[1]

i. Washington Prime Group Inc., a company incorporated under the Laws of Indiana ("**WPG Inc.**"), and each of its affiliates listed on **Exhibit A** to this Agreement (collectively, the "**Company Parties**");

ii. the beneficial holders of, or investment advisors, sub-advisors, or managers of discretionary accounts that hold 2018 Credit Facility Claims and that have executed and delivered counterpart signature pages to this Agreement, a Joinder, or a Transfer Agreement to Counsel to the Company Parties, Counsel to the *Ad Hoc* Lender Group, and Counsel to the Plan Sponsor (collectively, the "**Consenting 2018 Credit Facility Lenders**");

iii. the beneficial holders of, or investment advisors, sub-advisors, or managers of discretionary accounts that hold 2015 Credit Facility Claims and that have executed

[1] Capitalized terms used but not defined in the preamble and recitals to this Agreement have the meanings ascribed to them in Section 1 of this Agreement.

and delivered counterpart signature pages to this Agreement, a Joinder, or a Transfer Agreement to Counsel to the Company Parties, Counsel to the *Ad Hoc* Lender Group, and Counsel to the Plan Sponsor (collectively, the "**Consenting 2015 Credit Facility Lenders**");

iv. the beneficial holders of, or investment advisors, sub-advisors, or managers of discretionary accounts that hold Weberstown Term Loan Facility Claims and that have executed and delivered counterpart signature pages to this Agreement, a Joinder, or a Transfer Agreement to Counsel to the Company Parties, Counsel to the *Ad Hoc* Lender Group, and Counsel to the Plan Sponsor (collectively, the "**Consenting Weberstown Lenders**"); and

v. the undersigned holders of, or investment advisors, sub-advisors, or managers of discretionary accounts that hold Unsecured Note Claims and that have executed and delivered counterpart signature pages to this Agreement, a Joinder, or a Transfer Agreement to Counsel to the Company Parties, Counsel to the *Ad Hoc* Lender Group, and Counsel to the Plan Sponsor (collectively, the "**Consenting Unsecured Noteholders**").

RECITALS

WHEREAS, the Parties have in good faith and at arms' length negotiated or been apprised of certain restructuring and recapitalization transactions with respect to the Company Parties' capital structure on the terms set forth in this Agreement and as specified in the term sheet attached hereto as **Exhibit B** (the "**Restructuring Term Sheet**"), the DIP Credit Agreement attached hereto as **Exhibit C**, the New Term Loan Exit Facility Term Sheet attached hereto as **Exhibit D**, and the Backstop Commitment Agreement attached hereto as **Exhibit E** (collectively, the "**Restructuring Transactions**");

WHEREAS, the Company Parties intend to implement the Restructuring Transactions, including through the commencement of voluntary cases under chapter 11 of the Bankruptcy Code (the "**Chapter 11 Cases**") filed under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "**Bankruptcy Code**"), in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Court**");

WHEREAS, the Parties agree that this Agreement and the Restructuring Transactions are the product of good faith, arm's-length negotiations among all of the Parties; and

WHEREAS, the Parties desire to express their mutual support and commitment to take certain actions in support of the Restructuring Transactions, including with respect to the consummation of the Plan on the terms and conditions contained in this Agreement and the Restructuring Term Sheet.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Party, severally, and not jointly, intending to be legally bound hereby, agrees as follows:

AGREEMENT

Section 1. ***Definitions and Interpretation***.

1.01. Definitions. The following terms shall have the following definitions:

"**2015 Credit Agreement**" means that certain Term Loan Agreement, dated as December 10, 2015 (as amended, supplemented, or otherwise modified on or prior to the date hereof, including by that certain Amendment No. 1 to Term Loan Agreement, dated January 22, 2018, and that certain Amendment No. 2 to Term Loan Agreement, dated August 13, 2020) by and among WPG LP, as borrower, certain Company Parties as guarantors, GLAS USA LLC and Americas LLC (as successor to PNC Bank, National Association), as collateral and administrative agent, and the lenders party thereto.

"**2015 Credit Facility**" means the credit facility under the 2015 Credit Agreement.

"**2015 Credit Facility Claim**" means any Claim arising under, derived from, secured by, based on, or related to the 2015 Credit Facility or any other agreement, instrument or document executed at any time in connection therewith and any guaranty thereof.

"**2018 Credit Agreement**" means that certain Revolving Credit and Term Loan Agreement, dated as of January 22, 2018 (as amended, supplemented, or otherwise modified on or prior to the date hereof, including by that certain Amendment No. 1, dated August 13, 2020) by and among WPG LP, as borrower, certain Company Parties as guarantors, Bank of America, N.A. as collateral and administrative agent, and the lenders party thereto.

"**2018 Credit Facility**" means those certain credit facilities under the 2018 Credit Agreement.

"**2018 Credit Facility Claim**" means any Claim arising under, derived from, secured by, based on, or related to the 2018 Credit Facility or any other agreement, instrument or document executed at any time in connection therewith and any guaranty thereof.

"**Acceptable Alternative Restructuring Proposal**" means any Alternative Restructuring Proposal that provides for (A) the payment in full in Cash on the Effective Date of (i) Administrative Claims, (ii) DIP Claims, (iii) 2015 Credit Facility Claims, (iv) 2018 Credit Facility Claims, (v) Weberstown Term Loan Facility Claims, (vi) Unsecured Notes Claims (in each case, including, postpetition interest at the default contract rate, where applicable), (vii) General Unsecured Claims, and (viii) the Backstop Base Premium, and (B) additional value in an amount not less than the value of either Cash or New Common Equity provided to Holders of Existing Equity Interests under the Equitization Restructuring, as compared to Cash or non-Cash consideration provided to Holders of Existing Equity Interests under such Acceptable Alternative Restructuring Proposal; *provided* that the Company shall have the right to assess the value of New Common Equity or non-Cash consideration, as applicable, in its sole discretion; *provided, however,* that if the Company so elects to assess the value of New Common Equity or non-Cash consideration, it shall do so with respect to each of the Alternative Restructuring Proposal and the Equitization Restructuring.

"***Ad Hoc* Lender Group**" means the group or committee of Consenting 2018 Credit Facility Lenders, Consenting 2015 Credit Facility Lenders, and Consenting Weberstown Lenders, as applicable, represented by Wachtell, Lipton, Rosen & Katz and PJT Partners LP.

"**Agent**" means any administrative agent, collateral agent, or similar Entity under the 2015 Credit Facility, the 2018 Credit Facility, and/or the Weberstown Term Loan Facility, including any successors thereto.

"**Agents/Trustees**" means, collectively, all of the Agents and Trustees.

"**Agreement**" has the meaning set forth in the preamble to this Agreement and, for the avoidance of doubt, includes all the exhibits, annexes, and schedules hereto in accordance with Section 15.03 (including the Restructuring Term Sheet).

"**Agreement Effective Date**" means the date on which the conditions set forth in Section 2 have been satisfied or waived by the appropriate Party or Parties in accordance with this Agreement.

"**Agreement Effective Period**" means, with respect to a Party, the period from the Agreement Effective Date to the Termination Date applicable to that Party.

"**Alternative Restructuring Proposal**" means any inquiry, proposal, offer, bid, term sheet, discussion, or agreement with respect to a sale, disposition, new-money investment, restructuring, reorganization, merger, amalgamation, acquisition, consolidation, dissolution, debt investment, equity investment, repurchase, refinancing, extension or repayment of a material portion of the Company's or the Company Party's funded debt, liquidation, tender offer, recapitalization, plan of reorganization, share exchange, business combination, or similar transaction involving any one or more Company Parties or the debt, equity, or other interests in any one or more Company Parties that is an alternative to one or more of the Restructuring Transactions.

"**Backstop Approval Order**" shall have the meaning given to such term in the Backstop Commitment Agreement; *provided* that such order shall be consistent with this Agreement.

"**Backstop Base Premium**" shall have the meaning given to such term in the Backstop Commitment Agreement.

"**Backstop Commitment Agreement**" means the backstop commitment agreement in substantially the form attached hereto as Exhibit E, as may be amended, modified, or supplemented from time to time, in accordance with its terms, which will govern certain matters related to the Equity Rights Offering, consistent with this Agreement.

"**Backstop Equity Premium**" shall have the meaning given to such term in the Backstop Commitment Agreement.

"**Backstop Parties**" means the Plan Sponsor and certain of its related funds, as signatories to the Backstop Commitment Agreement, solely in their capacity as such.

"**Bankruptcy Code**" has the meaning set forth in the recitals to this Agreement.

"**Bankruptcy Court**" has the meaning set forth in the recitals to this Agreement.

"**Bidding Procedures**" means the bidding procedures or equivalent establishing procedures by which parties may submit and the Company Parties will consider Alternative Restructuring Proposals, including all documents required to implement such bidding procedures or equivalent, and so long as the class of Unsecured Notes Claims votes to accept the Plan, the Bidding Procedures will consider Alternative Restructuring Proposals where Cash value distributable to Existing Equity Interests (as defined in the Restructuring Term Sheet) matches dollar for dollar equal irrespective of the total amount of value or form of consideration distributed to holders of Claims that are senior to Existing Equity Interests.

"**Business Day**" means any day other than a Saturday, Sunday, or a legal holiday, as defined in Bankruptcy Rule 9006(a).

"**Cash**" or "**$**" means the legal tender of the United States of America or the equivalent thereof, including bank deposits, checks, and cash equivalents, as applicable.

"**Chapter 11 Cases**" has the meaning set forth in the recitals to this Agreement.

"**Claim**" means any claim, as defined in section 101(5) of the Bankruptcy Code, against any of the Debtors.

"**Company Claims/Interests**" means any Claim against, or Interest in, a Company Party, including the 2015 Credit Facility Claims, the 2018 Credit Facility Claims, the DIP Claims, the Unsecured Notes Claims, and the Weberstown Term Loan Facility Claims.

"**Company Parties**" has the meaning set forth in the recitals to this Agreement.

"**Confidentiality Agreement**" means an executed confidentiality agreement, including with respect to the issuance of a "cleansing letter" or other public disclosure of material non-public information agreement, in connection with any proposed Restructuring Transactions.

"**Confirmation Order Milestone**" means the milestone described in Section 4.01(g).

"**Confirmation Order**" means the order of the Bankruptcy Court confirming the Plan and Plan Supplement under section 1129 of the Bankruptcy Code; *provided* that such order shall be consistent with this Agreement.

"**Consenting 2015 Credit Facility Lenders**" has the meaning set forth in the recitals to this Agreement.

"**Consenting 2018 Credit Facility Lenders**" has the meaning set forth in the recitals to this Agreement.

"**Consenting *Ad Hoc* Lenders**" means the members of the *Ad Hoc* Lender Group that are party to this Agreement.

"**Consenting Stakeholders**" means collectively, the Consenting 2015 Credit Facility Lenders, the Consenting 2018 Credit Facility Lenders, the Consenting Unsecured Noteholders, and the Consenting Weberstown Lenders, which for the avoidance of doubt, shall include the Consenting *Ad Hoc* Lender Group and the Plan Sponsor.

"**Consenting Unsecured Noteholders**" has the meaning set forth in the recitals to this Agreement.

"**Consenting Weberstown Term Lenders**" has the meaning set forth in the recitals to this Agreement.

"**Counsel to the *Ad Hoc* Lender Group**" means Wachtell, Lipton, Rosen & Katz

"**Counsel to the Company Parties**" means Kirkland & Ellis LLP.

"**Counsel to the Plan Sponsor**" means Davis Polk & Wardwell LLP.

"**Debtors**" means the Company Parties that commence Chapter 11 Cases.

"**Definitive Documents**" means the documents listed in Section 3.01 of this Agreement.

"**DIP Claims**" means any Claim arising under, derived from, secured by, based on, or related to the DIP Facility or any other agreement, instrument or document executed at any time in connection therewith and any guaranty thereof.

"**DIP Commitment Parties**" means the parties listed on **Exhibit G**.

"**DIP Commitments**" means (i) prior to the closing date under the DIP Credit Agreement, the commitments of the DIP Commitment Parties pursuant to Section 5.02(a), and (ii) after the closing date under the DIP Credit Agreement, the "Commitments" as defined in the DIP Credit Agreement.

"**DIP Credit Agreement**" means the credit agreement evidencing the DIP Facility, substantially in the form of **Exhibit C**.

"**DIP Facility**" means the term loan credit facility provided for in the DIP Credit Agreement.

"**DIP Final Order**" means the Final Order entered by the Bankruptcy Court authorizing use of cash collateral, and entry into and performance of the DIP Credit Agreement.

"**DIP Interim Order**" means the interim order entered by the Bankruptcy Court authorizing use of cash collateral, and entry into and performance of the DIP Credit Agreement.

"**DIP Orders**" means, collectively, the DIP Interim Order and the DIP Final Order.

"**Disclosure Statement**" means the disclosure statement for the Plan, including all exhibits, schedules, supplements, modifications, and amendments thereto, including the ballots and solicitation procedures, that is prepared and distributed in accordance with the Bankruptcy Code,

the Bankruptcy Rules, and any other applicable law and approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code; *provided* that such Disclosure Statement shall be consistent with this Agreement.

"**Disclosure Statement Order**" means an order of the Bankruptcy Court approving the Disclosure Statement, the Solicitation Materials, and the solicitation of the Plan; *provided* that such order shall be consistent with this Agreement.

"**Effective Date Milestone**" means the milestone described in Section 4.01(h).

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

"**Equitization Restructuring**" shall have the meaning set forth in the Restructuring Term Sheet.

"**Equity Rights Offering**" shall have the meaning set forth in the Restructuring Term Sheet.

"**Equity Rights Offering Amount**" shall have the meaning set forth in the Restructuring Term Sheet.

"**Equity Rights Offering Documents**" means collectively, the Backstop Commitment Agreement and any and all other agreements, documents, and instruments delivered or entered into in connection with the Equity Rights Offering, including the Equity Rights Offering Procedures.

"**Equity Rights Offering Procedures**" means those certain rights offering procedures with respect to the Equity Rights Offering, which shall be set forth in the Equity Rights Offering Documents.

"**Execution Date**" has the meaning set forth in the preamble to this Agreement.

"**Final Order**" means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter that has not been reversed, modified, or amended, vacated or stayed and as to which (i) the time to appeal, petition for certiorari, or move for a new trial, stay, reargument or rehearing has expired and as to which no appeal, petition for certiorari or motion for new trial, stay, reargument, or rehearing shall then be pending or (ii) if an appeal, writ of certiorari, new trial, stay, reargument or rehearing thereof has been sought, such order or judgment of the Bankruptcy Court (or other court of competent jurisdiction) shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, stay, reargument, or rehearing shall have been denied, or resulted in no modification of such order, and such time to take any further appeal, petition for certiorari or move for a new trial, stay, reargument or rehearing shall have expired, as a result of which such order shall have become final in accordance with Bankruptcy Rule 8002; *provided*, that the possibility that a motion under rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules may be filed relating to such order, shall not cause an order not to be a Final Order.

"**First Day Pleadings**" means the first-day pleadings that the Company Parties determine are necessary or desirable to file on or immediately after the Petition Date, which shall not include the DIP Orders or any pleadings related thereto.

"**Interests**" means, collectively, the shares (or any class thereof), common stock, preferred stock, limited liability company interests, and any other equity, ownership, or profits interests of any Company Party, and options, warrants, rights, or other securities or agreements to acquire or subscribe for, or which are convertible into the shares (or any class thereof) of, common stock, preferred stock, limited liability company interests, or other equity, ownership, or profits interests of any Company Party (in each case whether or not arising under or in connection with any employment agreement).

"**Joinder**" means a joinder to this Agreement substantially in the form attached hereto as **Exhibit G**.

"**Law**" means any federal, state, local, or foreign law (including common law), statute, code, ordinance, rule, regulation, order, ruling, or judgment, in each case, that is validly adopted, promulgated, issued, or entered by a governmental authority of competent jurisdiction (including the Bankruptcy Court).

"**Material Executory Contract**" means any executory contract that requires any Company Party to use, sell, or lease property other than in the ordinary course of business, consistent with the Company Party's historical practices.

"**Material Lease**" means either a (a) New Material Lease or (b) Renewal Material Lease, as applicable.

"**Milestones**" has the meaning set forth in Section 4.

"**New Common Equity**" means the common equity interests of Reorganized WPG to be issued upon the Plan Effective Date in accordance with the Plan.

"**New Common Equity Documents**" means any and all documentation required to implement, issue, and distribute the New Common Equity.

"**New Governance Documents**" means any document that may be included with the Plan Supplement with respect to the governance of any of the reorganized Company Parties following the consummation of the Restructuring Transactions, and any certificates of formation, charters, certificates or articles of incorporation, bylaws, operating agreements, limited liability company agreements or other applicable organizational documents or charter documents and any shareholder agreements or other shareholder documents, in each case, on the terms set forth in the New Governance Term Sheet and otherwise in accordance with this Agreement.

"**New Governance Term Sheet**" means that certain corporate governance term sheet setting forth the terms of the New Governance Documents, as contemplated by the Restructuring Term Sheet, to be included in the Plan Supplement, and any modification, supplement, or amendment thereto in accordance with the terms hereof and thereof.

"**New Material Lease**" means any lease (i) with respect to more than 15,000 square feet of gross leasable area of collateral owned by the Company Parties, (ii) that would require a tenant improvement, tenant allowance, landlord work, or free rent in lieu of tenant allowance pursuant to the terms of such lease in excess of $1,000,000 in the aggregate, or (iii) that would require only the payment of percentage rent and have a term of at least 60 months or greater.

"**New Term Loan Exit Facility**" shall have the meaning set forth in the Restructuring Term Sheet.

"**New Term Loan Exit Facility Documents**" means the credit agreement, security agreements, mortgages, pledge agreements, and all other collateral, guarantee, intercreditor, and ancillary documents governing the New Term Loan Exit Facility, in each case consistent with the New Term Loan Exit Facility Term Sheet and this Agreement.

"**New Term Loan Exit Facility Term Sheet**" means the term sheet setting forth the material terms for the New Term Loan Exit Facility, attached as **Exhibit D** hereto.

"**Parties**" has the meaning set forth in the preamble to this Agreement.

"**Permitted Transfer**" means each transfer of any Company Claims/Interests that meet the requirements of Section 9.01 hereof.

"**Permitted Transferee**" means each transferee of any Company Claims/Interests who meets the requirements of Section 9.01 hereof.

"**Petition Date**" means the first date any of the Company Parties commences a Chapter 11 Case.

"**Plan**" means the joint plan of reorganization filed by the Debtors under chapter 11 of the Bankruptcy Code that embodies the Restructuring Transactions; *provided* that the such Plan shall be consistent with this Agreement, including all exhibits and other documents and instruments related thereto.

"**Plan Effective Date**" means the occurrence of the effective date of the Plan according to its terms.

"**Plan Sponsor**" means Strategic Value Partners, LLC and affiliated funds in their capacity as holders of 2018 Credit Facility Claims, 2015 Credit Facility Claims, Weberstown Term Loan Facility Claims, and Unsecured Notes Claims.

"**Plan Sponsor Advisors**" means, collectively Davis Polk & Wardwell LLP, Evercore Group L.L.C., Agora Advisors, Inc., and Raider Hill Advisors, L.L.C, as advisors to the Plan Sponsor, and such other advisors to the Plan Sponsor that are reasonably acceptable as between the Company Parties and the Plan Sponsor.

"**Plan Supplement**" means the compilation of documents and forms and/or term sheets of documents, agreements, schedules, and exhibits to the Plan that will be filed by the Debtors with the Bankruptcy Court. The Debtors shall have the right to alter, amend, modify, or supplement

the documents contained in the Plan Supplement as set forth in this Plan and in accordance with this Agreement (and subject to the consent, approval and consultation rights set forth herein).

"**Qualified Marketmaker**" means an entity that (a) holds itself out to the public or the applicable private markets as standing ready in the ordinary course of business to purchase from customers and sell to customers Company Claims/Interests (or enter with customers into long and short positions in Company Claims/Interests), in its capacity as a dealer or market maker in Company Claims/Interests and (b) is, in fact, regularly in the business of making a market in claims against issuers or borrowers (including debt securities or other debt).

"**Renewal Material Lease**" means any lease (i) with respect to more than 15,000 square feet of gross leasable area of collateral owned by the Company Parties, (ii) that would require a tenant improvement, tenant allowance, landlord work, or free rent in lieu of tenant allowance pursuant to the terms of such lease in excess of $1,000,000 in the aggregate, or (iii) results in a decrease in annual rents of over $100,000 from the expiring amount.

"**Reorganized WPG**" means WPG Inc., any successor or assign thereto, by merger, consolidation, reorganization, or otherwise, or such other entity as may be designated as such, and which holds all or a portion of the direct and indirect assets and properties of WPG Inc. or WPG LP, in the form of a corporation, limited liability company, partnership, or other form, as the case may be, on and after the Plan Effective Date.

"**Required Consenting *Ad Hoc* Lenders**" means, as of the relevant date, Consenting *Ad Hoc* Lenders holding at least 80% of the aggregate outstanding principal amount of the 2018 Credit Facility Claims, 2015 Credit Facility Claims, and Weberstown Term Loan Facility Claims that are held by the Consenting *Ad Hoc* Lenders.

"**Required Consenting Stakeholders**" means, collectively, the Required Consenting *Ad Hoc* Lenders, and the Plan Sponsor.

"**Requisite DIP Commitment Parties**" means, as of the date of determination, the DIP Commitment Parties holding at least a simple majority, by aggregate principal amount, of the DIP Commitments held by the DIP Commitment Parties, as of such date.

"**Restructuring Expenses**" means the reasonable and documented fees and expenses of (a) the Plan Sponsor, including the reasonable and documented fees and expenses of Davis Polk & Wardwell LLP, Evercore Group L.L.C., Agora Advisors, Inc., and Raider Hill Advisors, L.L.C., and (b) the *Ad Hoc* Lender Group, including the reasonable and documented fees and expenses of Wachtell, Lipton, Rosen & Katz and PJT Partners LP, and, in each case, local counsel.

"**Restructuring Term Sheet**" has the meaning set forth in the recitals to this Agreement.

"**Restructuring Transactions**" has the meaning set forth in the recitals to this Agreement.

"**Rules**" means Rule 501(a)(1), (2), (3), and (7) of the Securities Act.

"**Securities Act**" means the Securities Act of 1933, 15 U.S.C. §§ 77a–77aa, or any similar federal, state, or local law, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

"**Solicitation Materials**" means all solicitation materials with respect to the Plan, including the Disclosure Statement and related ballots thereto.

"**Specified Extension Mortgage Loans**" means those certain property-level mortgage loans associated with the following affiliates of the Company Parties: Palms Crossing Town Center, LLC, Arbor Walk Mall, LLC, ATC Glimcher, LLC, and Grand Central Parkersburg LLC.

"**Specified Forbearance Mortgage Loans**" means those certain property-level mortgage loans associated with the following affiliates of Company Parties: Canyon View Marketplace, LLC, Forest Plaza, LLC, Lakeline Plaza, LLC, White Oaks Plaza, LLC, Muncie Plaza, LLC and Lakeline Village, LLC, MOG Crossing, LLC, Arbor Walk Mall, LLC, Palms Crossing Town Center, LLC, BRE/Pearlridge LLC, Pearlridge Uptown II LLC, and ATC Glimcher, LLC.

"**Specified Material Executory Contracts**" means the following executory contracts: (i) the limited partnership agreements related to (a) WPG-OC JV, LP, (b) WPG-OC JV II, LP, (c) WPG-OF JV III, LP, (d) WPG-OC JV IV, LP, (e) WPG-OC JV V, LP, (f) WPG-OC JV VI, LP, and (g) WPG-OC JV VII, LP; (ii) the Separation and Distribution Agreement, dated May 27, 2014, by and among various Simon entities and WPG Inc. and WPG LP; and (iii) any new or amendment to an existing reciprocal easement agreement where, with respect to an amendment, the intent is to extend the term by more than five (5) years from its current expiration date or to otherwise materially increase the monetary obligations of the Company Parties or any of its subsidiaries under the applicable reciprocal easement agreement.

"**Specified Refinancing Mortgage Loans**" means those certain property-level mortgage loans associated with the following affiliates of Company Parties: Palms Crossing Town Center, LLC and Arbor Walk Mall, LLC.

"**Substitute/Replacement Guarantor Mortgage Loans**" means those certain property-level mortgage loans associated with the following affiliates of Company Parties: BRE/Pearlridge, LLC, Pearlridge Uptown II LLC, SDQ III Fee, LLC and SDQ III Retail, LLC on substantially the same terms in effect as of the date hereof.

"**Termination Date**" means, as to any Party, the date on which termination of this Agreement as to such Party is effective in accordance with Sections 12.01, 12.02, 12.03, or 12.04, as applicable.

"**Termination Event**" means the events set forth in Section 12 of this Agreement.

"**Toggle Election Notice**" means a notice sent to the Plan Sponsor stating that the Company Parties are electing to pursue an Acceptable Alternative Restructuring Proposal; *provided*, that no such notice shall qualify as a Toggle Election Notice unless such Acceptable Alternative Restructuring Proposal is binding and does not contain any financing or due diligence conditions.

"**Toggle Restructuring**" shall have the meaning set forth in the Restructuring Term Sheet.

"**Transfer**" means to sell, resell, reallocate, use, pledge, assign, transfer, hypothecate, participate, donate or otherwise encumber or dispose of, directly or indirectly (including through derivatives, options, swaps, pledges, forward sales, or other transactions).

"**Transfer Agreement**" means an executed form of the transfer agreement providing, among other things, that a transferee is bound by the terms of this Agreement and substantially in the form attached hereto as **Exhibit H**.

"**Trustee**" means any indenture trustee, collateral trustee, or other trustee or similar entity under the Unsecured Notes.

"**Unsecured Notes**" means those certain 5.95% Senior Unsecured Notes due 2024, pursuant to that certain Indenture dated as of March 24, 2015, as supplemented on August 4, 2017, by and among WPG LP, as issuer, and U.S. Bank National Association, as trustee.

"**Unsecured Notes Claims**" means any Claim arising under, derived from, secured by, based on, or related to the Unsecured Notes or any other agreement, instrument or document executed at any time in connection therewith and any guaranty thereof.

"**Weberstown Term Loan Agreement**" means that certain senior secured term loan facility under that certain Senior Secured Term Loan Agreement, dated as of June 8, 2016 (as amended, supplemented, or otherwise modified on or prior to the date hereof, including by that certain First Amendment and Waiver to Senior Secured Term Loan Agreement, dated December 23, 2016, that certain Second Amendment and Waiver to Senior Secured Term Loan Agreement, dated April 10, 2018, and that certain Third Amendment to Senior Secured Term Loan Agreement, dated August 13, 2020) by and between WTM Stockton, LLC and WPG LP as borrowers, GLAS USA LLC and Americas LLC (as successor to Huntington National Bank), as collateral and administrative agent, and the lenders party thereto.

"**Weberstown Term Loan Facility**" means the credit facility under the Weberstown Term Loan Agreement.

"**Weberstown Term Loan Facility Claim**" means any Claim arising under, derived from, secured by, based on, or related to the Weberstown Term Loan Facility or any other agreement, instrument or document executed at any time in connection therewith and any guaranty thereof.

"**WPG LP**" means Washington Prime Group, L.P., an Indiana limited partnership.

1.02. Interpretation. For purposes of this Agreement:

(a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender;

(b) capitalized terms defined only in the plural or singular form shall nonetheless have their defined meanings when used in the opposite form;

(c) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions;

(d) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit shall mean such document, schedule, or exhibit, as it may have been or may be amended, restated, supplemented, or otherwise modified from time to time; *provided* that any capitalized terms herein which are defined with reference to another agreement, are defined with reference to such other agreement as of the date of this Agreement, without giving effect to any termination of such other agreement or amendments to such capitalized terms in any such other agreement following the date hereof;

(e) unless otherwise specified, all references herein to "Sections" are references to Sections of this Agreement;

(f) the words "herein," "hereof," and "hereto" refer to this Agreement in its entirety rather than to any particular portion of this Agreement;

(g) captions and headings to Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Agreement;

(h) references to "shareholders," "directors," and/or "officers" shall also include "members" and/or "managers," as applicable, as such terms are defined under the applicable limited liability company Laws; and

(i) the use of "include" or "including" is without limitation, whether stated or not.

Section 2. ***Effectiveness of this Agreement***. This Agreement shall become effective and binding upon each of the Parties at 12:00 a.m., prevailing Eastern Time, on the Agreement Effective Date, which is the date on which all of the following conditions have been satisfied or waived in accordance with this Agreement:

(a) each of the Company Parties shall have executed and delivered counterpart signature pages of this Agreement to counsel to each of the Parties;

(b) the following shall have executed and delivered counterpart signature pages of this Agreement:

(i) holders of at least 62.0% of the aggregate outstanding principal amount of the 2015 Credit Facility;

(ii) holders of at least 74.5% of the aggregate outstanding principal amount of 2018 Credit Facility;

(iii) holders of 100% of the aggregate outstanding principal amount of the Weberstown Term Loan Facility; and

(iv) holders of at least 66.67% of the aggregate outstanding principal amount of Unsecured Notes;

(c) Counsel to the Company Parties shall have given notice to Counsel to the *Ad Hoc* Lender Group and Counsel to the Plan Sponsor in the manner set forth in Section **15.11** hereof (by email or otherwise) that the other conditions to the Agreement Effective Date set forth in this Section 2 have occurred;

(d) the Company Parties shall have paid in full all Restructuring Expenses incurred and invoiced at least two (2) Business Days prior to the Agreement Effective Date that were not previously paid by the Company Parties; and

(e) the Consenting Stakeholders shall provide signature pages to the Company Parties in unredacted form; *provided*, that the Company Parties and Counsel to the Company Parties shall not make any public disclosure of any kind with respect to the Restructuring or other matters covered by this Agreement without the consent of the Required Consenting Stakeholders and shall not disclose the identity of or individual holdings of any Consenting Stakeholders (including the signature pages hereto, which shall not be publicly disclosed or filed), in each case, without the prior written consent of such Consenting Stakeholder, the order of a Bankruptcy Court or other court with competent jurisdiction, or as required by applicable Law.

Section 3. ***Definitive Documents***.

3.01. The Definitive Documents governing the Restructuring Transactions shall include the following:

(a) the Plan, *provided, however*, that any plan that provides for the payment of the 2018 Credit Facility Claims, 2015 Credit Facility Claims, and Weberstown Term Loan Facility Claims, in full, in Cash, (including, in each case, default interest, if applicable) shall be deemed reasonably acceptable to the Consenting *Ad Hoc* Lenders;[2]

(b) the Confirmation Order;

(c) the DIP Orders, the DIP Credit Agreement, and the other DIP Documents and related documentation;

(d) the Disclosure Statement;

(e) the Disclosure Statement Order;

(f) the First Day Pleadings, and all orders sought pursuant thereto;

[2] Notwithstanding the foregoing, the Plan shall, to the extent not amended prior to confirmation to provide for such payment in full, require the parties to implement (or at the election of the Debtors and the Plan Sponsor be deemed to implement and immediately refinance, subject to the terms of the New Term Loan Exit Facility) the class treatment of the 2015 Credit Facility Claims, the 2018 Credit Facility Claims and the Weberstown Term Loan Facility Claims.

(g) the New Governance Documents;

(h) the New Term Loan Exit Facility Documents;

(i) the Plan Supplement;

(j) the New Common Equity Documents;

(k) the Bidding Procedures;

(l) the Equity Rights Offering Documents;

(m) the Backstop Commitment Agreement, and all documents required to implement the Backstop Commitment Agreement;

(n) any and all documents required to implement, issue, and distribute the New Common Equity;

(o) any other document necessary to implement or consummate the Restructuring Transactions; and

(p) any other material agreements, motions, pleadings, briefs, applications, orders, and other filings with the Bankruptcy Court related to the Restructuring Transactions.

3.02. The Definitive Documents not executed or in a form attached to this Agreement as of the Execution Date, including all exhibits, annexes, schedules, amendments, and supplements relating to such Definitive Documents, remain subject to negotiation and completion. Upon completion, the Definitive Documents and every other document, deed, agreement, filing, notification, letter, or instrument related to the Restructuring Transactions shall contain terms, conditions, representations, warranties, and covenants consistent with the terms of this Agreement, including, for the avoidance of doubt, as they may be modified, amended, or supplemented in accordance with **Section** 13. Further:

(a) the Definitive Documents not executed or in a form attached to this Agreement, as of the Execution Date shall at all times be consistent with this Agreement and all exhibits, annexes, and schedules hereto and otherwise in form and substance reasonably acceptable to the Company Parties, the Plan Sponsor, and solely as such affects their rights, obligations, or treatment in any material aspect, the Required Consenting *Ad Hoc* Lenders;

(b) the Backstop Commitment Agreement, Backstop Approval Order, and the New Governance Documents shall be acceptable to the Plan Sponsor;

(c) the New Term Loan Exit Facility Documents shall be in form and substance acceptable to the Required Consenting *Ad Hoc* Lenders and the Plan Sponsor; and

(d) the DIP Credit Agreement and DIP Orders (**Exhibit C** and **Exhibit I**, respectively) shall be consistent with the terms of this Agreement and otherwise in form and substance acceptable to the Requisite DIP Commitment Parties. The other DIP Documents shall be in form

and substance reasonably acceptable to the Requisite DIP Commitment Parties. The DIP Orders shall be reasonably acceptable to the Required Consenting *Ad Hoc* Lenders.

Section 4. ***Milestones*.**

4.01. The Company Parties shall implement the Restructuring Transactions in accordance with the following milestones (the "Milestones"), unless extended or waived in writing (which may be by email among counsel) by the Company Parties and the Plan Sponsor; *provided,* that if any such Milestone falls on a date which is not a Business Day, such Milestone shall be automatically extended to the first Business Day thereafter; *provided, further*, that the Confirmation Order Milestone shall not be extended beyond 150 days after the Petition Date, and the Effective Date Milestone shall not be extended beyond 180 days after the Petition Date, in each case without the consent of the Required Consenting *Ad Hoc* Lenders:

(a) prior to the Petition Date, the Backstop Commitment Agreement shall have been executed;

(b) no later than June 14, 2021, the Petition Date shall have occurred;

(c) no later than 2 calendar days after the Petition Date, the Debtors shall have filed the Plan and the Disclosure Statement with the Bankruptcy Court;

(d) no later than 5 calendar days after the Petition Date, the Bankruptcy Court shall have entered the DIP Interim Order;

(e) no later than 30 calendar days after the Petition Date, or such other date as agreed by the Plan Sponsor and the Company Parties, the Bankruptcy Court shall have entered the Backstop Approval Order;

(f) no later than 45 calendar days after the Petition Date, the Bankruptcy Court shall have entered the DIP Final Order;

(g) no later than 60 calendar days after the Petition Date, the Bankruptcy Court shall have entered the Confirmation Order; *provided* that the Confirmation Order Milestone shall be extended to 74 calendar days after the Petition Date in the event the Company Parties have received a binding Acceptable Alternative Restructuring Proposal with no financial or due diligence conditions and deliver the Toggle Election Notice, which such extension shall be valid for so long as the Company Parties are pursuing confirmation of such Acceptable Alternative Restructuring Proposal through the Toggle Restructuring or the Equitization Restructuring; and

(h) no later than 15 calendar days after the entry of the Confirmation Order, the Plan Effective Date shall have occurred.

Section 5. ***Commitments of the Consenting Stakeholders***.

5.01. General Commitments, Forbearances, and Waivers.

(a) Affirmative Commitments. During the Agreement Effective Period, each Consenting Stakeholder, severally, and not jointly, agrees, in respect of all of its Company Claims/Interests presently owned and hereafter acquired (for so long as it remains the beneficial or record owner thereof, or the nominee, investment manager, or advisor for beneficial holders thereof), to:

(i) support the Restructuring Transactions and timely vote to accept the Plan by delivering its duly executed and completed ballot(s) accepting the Plan on a timely basis following the commencement of the Solicitation and its actual receipt of the Disclosure Statement and other related Solicitation Materials;

(ii) to the extent it is permitted to elect whether to opt out of the releases set forth in the Plan, elect not to opt out of the releases set forth in the Plan by timely delivering its duly executed and completed ballot(s) indicating such election;

(iii) not change, withdraw, amend, or revoke (or cause to be changed, withdrawn, amended, or revoked) any vote or election referred to in clauses (i) and (ii);

(iv) use commercially reasonable efforts to give, subject to applicable Laws, any notice, order, instruction, or direction to the applicable Agents/Trustees necessary to give effect to the Restructuring Transactions; *provided* that such Consenting Stakeholder shall not be required to provide such Agent/Trustee with any indemnities or similar undertakings in connection with taking any such action;

(v) use its commercially reasonable efforts and work in good faith to take all steps reasonably necessary to consummate the Restructuring Transactions in accordance with this Agreement;

(vi) support, and not oppose, entry of the DIP Orders, to the extent consistent with the terms of this Agreement;

(vii) negotiate in good faith any additional or alternative provisions or agreements to address any legal, financial, or structural impediment that may arise that would reasonably be expected to prevent, hinder, impede, delay, or are necessary to effectuate the consummation of the Restructuring Transactions; and

(viii) negotiate in good faith and use commercially reasonable efforts to execute and implement the Definitive Documents that are consistent with this Agreement to which it is required to be a party.

(b) Negative Commitments. Notwithstanding anything to the contrary herein, during the Agreement Effective Period, each Consenting Stakeholder agrees, in respect of all of its Company Claims/Interests presently owned and hereafter acquired (for so long as it remains the

beneficial or record owner thereof, or the nominee, investment manager, or advisor for beneficial holders thereof) that it shall not directly or indirectly, and shall not direct any other Entity to:

(i) object to, delay, impede, or take any other action to interfere with acceptance, implementation, or consummation of the Plan, or any provision thereof, or other Restructuring Transactions;

(ii) take any other actions in contravention of this Agreement, the Restructuring Term Sheet, or the Definitive Documents, or to the material detriment of the Restructuring Transactions;

(iii) propose, file, support, solicit, initiate, negotiate, facilitate, propose, continue, respond to, or vote for any Alternative Restructuring Proposal;

(iv) propose, file, or support a pleading with the Bankruptcy Court seeking entry of an order authorizing any use of cash collateral or debtor-in-possession financing other than as proposed in the DIP Orders;

(v) file any motion, pleading, or other document with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is not materially consistent with this Agreement, the Restructuring Term Sheet, the Restructuring Transactions, or the Plan;

(vi) exercise any right or remedy for the enforcement, collection, or recovery of any of the Company Claims/Interests other than to enforce this Agreement or any Definitive Document or as otherwise permitted under this Agreement;

(vii) initiate, or cause to be initiated on its behalf, any litigation or proceeding of any kind with respect to the Chapter 11 Cases, this Agreement, or the other Restructuring Transactions contemplated herein against the Company Parties or the other Parties other than to enforce this Agreement or any Definitive Document or as otherwise permitted under this Agreement;

(viii) exercise, or direct any other person to exercise, any right or remedy for the enforcement, collection, or recovery of any of Claims against or Interests in the Company Parties;

(ix) directly or indirectly, through any Entity, seek, solicit, propose, support, assist, engage in negotiations in connection with or participate in the formulation, preparation, filing, or prosecution of any Alternative Restructuring Proposal or object to or take any other action that would reasonably be expected to prevent, interfere with, delay, or impede the solicitation, approval of the Disclosure Statement, or the confirmation and consummation of the Plan and the Restructuring Transactions;

(x) prior to the expiration of the Confirmation Order Milestone, object to, delay, impede, or take any other action to interfere with the Company Parties' efforts detailed in Section 8.02(b);

(xi) object to, delay, impede, or take any other action to interfere with the Company Parties' ownership and possession of their assets, wherever located, or interfere with the automatic stay arising under section 362 of the Bankruptcy Code; or

(xii) object to or commence any legal proceeding challenging the liens, claims, or adequate protection granted or proposed to be granted to the holders of Claims under the DIP Orders or the prepetition liens and claims of any Consenting Stakeholder.

5.02. Commitments with Respect to the DIP Facility.

(a) Subject to the conditions set forth in the DIP Credit Agreement and the DIP Orders, each of the DIP Commitment Parties, severally and not jointly, agrees to provide (or cause any of its designees to provide) its allocable share of the DIP Facility as set forth in **Exhibit F** attached hereto on the terms and conditions set forth in the DIP Credit Agreement; *provided,* that upon termination or expiration of this Agreement in accordance with its terms prior to the closing of the DIP Credit Agreement, the commitments of the DIP Commitment Parties made pursuant to this Section **5.02(a)** with respect to the DIP Facility shall terminate.

5.03. Commitments with Respect to Real Estate Matters. During the Agreement Effective Period, each Consenting Stakeholder, severally and not jointly, agrees to consent to the Company Parties and their affiliates entering into the following, subject to any standard for the exercise of such consent that is set forth in the Restructuring Term Sheet:

(a) reasonable and customary forbearance agreements, and any necessary additional documents attendant thereto, related to the Specified Forbearance Mortgage Loans;

(b) all documents necessary to authorize the granting of supplemental unsecured guarantees, by WPG-OC JV, L.P. or WPG-OC JV IV, L.P. related to the Substitute/Replacement Guarantor Mortgage Loans;

(c) all documents necessary to refinance the Specified Refinancing Mortgage Loans; and

(d) all documents necessary to extend the Specified Extension Mortgage Loans.

Section 6. ***Additional Provisions Regarding the Consenting Stakeholders' Commitments***. Notwithstanding anything contained in this Agreement, nothing in this Agreement shall:

(a) be construed to prohibit any Consenting Stakeholder from appearing as a party in interest in any matter to be adjudicated in a Chapter 11 Case, so long as such appearance and the positions advocated in connection therewith are not inconsistent with this Agreement and are not for the purpose of delaying, interfering, or impeding, directly or indirectly, the Restructuring Transactions;

(b) affect the ability of any Consenting Stakeholder to consult with any other Consenting Stakeholder, the Company Parties, or any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee), so as long as such consultation and any communications in connection therewith are not inconsistent with this

Agreement or any applicable Confidentiality Agreement, and are not for the purpose of delaying, interfering, or impeding, directly or indirectly, the Restructuring Transactions;

(c) impair or waive the rights of any Consenting Stakeholder to assert or raise any objection permitted under this Agreement in connection with the Restructuring Transactions;

(d) prevent any Consenting Stakeholder from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with this Agreement;

(e) be construed to prohibit any Consenting Stakeholder from either itself or through any representatives or agents, soliciting, initiating, negotiating, facilitating, proposing, continuing, or responding to any proposal to purchase or sell Company Claims/Interests, so long as such Consenting Stakeholder complies with Section 9; or

(f) prohibit any Consenting Stakeholder from taking any other action that is not inconsistent with this Agreement.

Section 7. ***Commitments of the Company Parties***.

7.01. Affirmative Commitments. Except as set forth in **Section** 8, during the Agreement Effective Period, the Company Parties agree to, and to cause their subsidiaries (if applicable) to:

(a) support and take all steps reasonably necessary and desirable to consummate the Restructuring Transactions in accordance with this Agreement;

(b) support and take all steps necessary to facilitate solicitation of the Plan in accordance with this Agreement;

(c) to the extent any legal, tax, or structural impediment arises that would prevent, hinder, or delay the consummation of the Restructuring Transactions contemplated herein, take all steps reasonably necessary and desirable to address any such impediment;

(d) use commercially reasonable efforts to obtain any and all required regulatory and/or third-party approvals for the Restructuring Transactions or the Definitive Documents as provided herein, subject to the terms of the Backstop Commitment Agreement;

(e) negotiate in good faith and use commercially reasonable efforts to execute and deliver the Definitive Documents and any other required agreements to effectuate and consummate the Restructuring Transactions as contemplated by this Agreement;

(f) use commercially reasonable efforts to seek additional support for the Restructuring Transactions from their other material stakeholders to the extent reasonably prudent;

(g) provide Counsel to the *Ad Hoc* Lender Group, and Counsel to the Plan Sponsor a reasonable opportunity (which to the extent reasonably practicable under the circumstances, shall be no less than two (2) Business Days) to review draft copies of all First Day Pleadings and any Definitive Documents, as applicable, prior to the date that the Company Parties intend to file such documents or pleadings with the Bankruptcy Court;

(h) provide a reasonable opportunity (which to the extent reasonably practicable under the circumstances, shall be no less than two (2) Business Days) to counsel to any Consenting Stakeholder materially affected by a Definitive Document to review draft copies of such Definitive Documents that the Company Parties intend to file with Bankruptcy Court;

(i) provide to each of the Consenting Stakeholders, and each of their respective professionals:

(i) reasonable access to the Company Parties' books and records on reasonable advance notice to the Company Parties' representatives during regular business hours and without disruption to the operation of the Company Parties' business,

(ii) reasonable access to the management and advisors of the Company Parties on reasonable advance notice to such persons during regular business hours and without disruption to the operation of the Company Parties' business, and

(iii) timely and reasonable responses to all reasonable diligence requests;

(j) oppose and object to the efforts of any person seeking to object to, delay, impede, or take any other action to interfere with the acceptance, implementation, or consummation of the Restructuring Transactions (including, if applicable, the filing of timely objections or written responses) to the extent such opposition or objection is reasonably necessary to facilitate the implementation of the Restructuring Transactions;

(k) oppose and object to any motion, application, adversary proceeding or cause of action:

(i) seeking the entry of an order directing the appointment of a trustee or examiner (with expanded powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code);

(ii) seeking the entry of an order converting the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code;

(iii) seeking entry of an order dismissing the Chapter 11 Cases; or

(iv) seeking entry of an order modifying or terminating the Company Parties' exclusive right to file and/or solicit acceptances of a plan of reorganization, as applicable;

(l) upon reasonable request of any of the Consenting Stakeholders, reasonably and promptly inform Counsel to the *Ad Hoc* Lender Group and Counsel to the Plan Sponsor of:

(i) the material business and financial (including liquidity) performance of the Company Parties;

(ii) the status and progress of the Restructuring Transactions, including progress in relation to the negotiations of the Definitive Documents; and

(iii) the status of obtaining any necessary authorizations (including any consents) from each Consenting Stakeholder, any competent judicial body, governmental authority, banking, taxation, supervisory, regulatory body, or any stock exchange;

(m) inform Counsel to the *Ad Hoc* Lender Group and Counsel to the Plan Sponsor as soon as reasonably practicable after becoming aware of:

(i) any matter or circumstance, that they know, or believe is likely, to be a material impediment to the implementation or consummation of the Restructuring Transactions;

(ii) any notice of any commencement of any material involuntary insolvency proceedings, material legal suit for payment of debt; and

(iii) a breach of this Agreement (including a breach by any Company Party);

(n) pay in Cash all Restructuring Expenses within seven (7) calendar days of receipt of invoice, regardless of whether the Restructuring Transactions are or have been consummated, or such other time set forth in a Court order;

(o) use commercially reasonable efforts to, and cause its relevant subsidiaries to, obtain consent from the property-level mortgage lenders and joint venture partners (including, O'Connor Mall Partners, L.P. and its relevant affiliates), as necessary, to accommodate a tax-efficient post-emergence legal entity structure; and

(p) except if the Plan Sponsor agrees otherwise, or if necessary to effectuate the Restructuring Transactions, take such actions as necessary to ensure that WPG LP continues to be treated as a partnership for U.S. federal income tax purposes.

7.02. Negative Commitments. Except as set forth in **Section** 8, during the Agreement Effective Period, each of the Company Parties shall (and shall cause their subsidiaries to) not directly or indirectly:

(a) object to, delay, impede, or take any other action to interfere with acceptance, implementation, or consummation of the Restructuring Transactions;

(b) take any action that is inconsistent in any material respect with, or is intended or could reasonably be expected to frustrate or impede approval, implementation and consummation of the Restructuring Transactions described in, this Agreement or the Plan;

(c) modify the Plan or any Definitive Document, in whole or in part, in a manner that is not consistent with this Agreement in all material respects;

(d) file any motion, pleading, or Definitive Document with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is not materially consistent with this Agreement or the Plan;

(e) (i) operate its business outside the ordinary course (other than changes in the operations resulting from or relating to the Restructuring Transactions or the filing of the Chapter

11 Cases), taking into account the Restructuring Transactions, or (ii) engage in material merger, consolidation, disposition, acquisition, investment, dividend, incurrence of indebtedness (including, as a result of the refinancing of existing mortgage indebtedness, but excluding the Specified Refinancing Mortgage Loans), or other similar transaction or transfer any material asset or right of the Company Parties, or any material asset or right used in the business of the Company Parties to any person or entity outside the ordinary course of business, in each of cases (i) and (ii), without the reasonable consent of the Required Consenting Stakeholders;

(f) except to the extent required by this Agreement or, with the consent of the Plan Sponsor, as necessary to effectuate the Restructuring Transactions, take, or fail to take, any action that would cause a change to the tax status (including, the status of any Company Party as a "real estate investment trust" within the meaning of Section 856 of the Internal Revenue Code of 1986, as amended) or classification of any Company Party;

(g) enter into, amend, modify, renew, or terminate any Material Lease or any Material Executory Contract that is a Specified Material Executory Contract without the reasonable consent of the Plan Sponsor; *provided* that the Plan Sponsor shall be deemed to have consented to a request to enter into, amend, modify, renew, or terminate any such Material Lease or any such Material Executory Contract if the Plan Sponsor does not approve or disapprove of such transaction within five (5) business days from receipt of all required and reasonable information and documentation relating thereto and a written request (by email to an approved designee of the Plan Sponsor) to approve or disapprove of such transaction, plus two (2) additional business days following receipt of a second written request (by email to an approved designee of the Plan Sponsor) to approve or disapprove of such transaction; *provided, further,* that the Plan Sponsor's consent, reasonable or otherwise, shall not be required to terminate a Material Lease in the event that the (x) Material Lease is terminated by the Company Party upon a monetary default or a material non-monetary default by the tenant under such Material Lease, (y) tenant under such Material Lease is subject to a bankruptcy proceeding and elects to reject such Material Lease under such bankruptcy proceeding, or (z) tenant terminates such Material Lease pursuant to its rights under such Material Lease;

(h) propose, file, or support a pleading with the Bankruptcy Court seeking entry of an order authorizing any use of cash collateral or debtor-in-possession financing other than as proposed in the DIP Orders; or

(i) initiate, or cause to be initiated on its behalf, any litigation or proceeding of any kind with respect to these Chapter 11 Cases, this Agreement, or the other Restructuring Transactions contemplated herein against any other Parties other than to enforce this Agreement or any Definitive Document or as otherwise permitted under this Agreement.

Section 8. ***Additional Provisions Regarding Company Parties' Commitments***.

8.01. Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall require a Company Party or the board of directors, board of managers, or similar governing body of a Company Party, after consulting with counsel, to take any action or to refrain from taking any action with respect to the Restructuring Transactions to the extent taking or failing to take such action would be inconsistent with applicable Law or its fiduciary obligations under

applicable Law, and any such action or inaction pursuant to this Section 8.01 shall not be deemed to constitute a breach of this Agreement. The Company Parties shall give written notice to the Consenting Stakeholders within two (2) Business Days of any determination in accordance with this Section 8.01 to take or refrain from taking any action. This Section 8.01 shall not impede any Party's right to terminate this Agreement pursuant to Section 12.01(h).

8.02. Notwithstanding anything to the contrary in this Agreement (but subject to Section 8.01), each Company Party and its respective directors, officers, employees, investment bankers, attorneys, accountants, consultants, and other advisors or representatives shall have the rights to:

(a) provide access to non-public information concerning any Company Party to any Entity or enter into Confidentiality Agreements or nondisclosure agreements with any Entity; *provided* that if the Company Parties decide to make a written proposal or counterproposal to any party relating to any Alternative Restructuring Proposal, the Company Parties shall provide notice to the Plan Sponsor and the Consenting *Ad Hoc* Lenders contemporaneously with taking any such action;

(b) prior to the expiration of the Confirmation Order Milestone, the Company Parties may, directly or indirectly:

(i) (x) actively initiate, solicit, and induce any Acceptable Alternative Restructuring Proposals, or (y) consider, develop, facilitate, and respond to any Alternative Restructuring Proposals (or inquiries or indications of interest with respect thereto); or

(ii) otherwise cooperate with, assist, participate in, or facilitate any inquiries, proposals, discussions, or negotiation of Alternative Restructuring Proposals; *provided* that if the Company Parties receive an Alternative Restructuring Proposal, or any update to an Alternative Restructuring Proposal from the counterparty thereto, then the Company Parties shall, and in each case subject to any confidentiality provisions contained therein:

a. within two (2) Business Days of receiving such proposal, provide Counsel to the *Ad Hoc* Lender Group and Counsel to the Plan Sponsor with such Alternative Restructuring Proposal; *provided* that after submission by the Plan Sponsor of a proposal in any postpetition bidding process, then the Company Parties may, in their sole discretion, elect not to provide Counsel to the Plan Sponsor and Counsel to the *Ad Hoc* Lender Group with such Alternative Restructuring Proposal;

b. upon written request, provide Counsel to the *Ad Hoc* Lender Group and Counsel to the Plan Sponsor with timely updates as to the status and progress of such Alternative Restructuring Proposals; and

c. respond to reasonable information requests and questions from Counsel to the *Ad Hoc* Lender Group and Counsel to the Plan Sponsor relating to such Alternative Restructuring Proposal; and

(iii) continue discussions or negotiations with holders of Claims against or Interests in a Company Party (including any Consenting Stakeholder), any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee), or any other Entity regarding the Restructuring Transactions or an Alternative Restructuring Proposal (in each case, consistent with the terms hereof).

8.03. As soon as reasonably practicable (and in any case within one (1) Business Day) after the delivery of the Toggle Election Notice, the Company Parties shall publicly disclose the material terms of such Acceptable Alternative Restructuring Proposal by filing material documentation thereof with the Bankruptcy Court or otherwise.

8.04. Nothing in this Agreement shall:

(a) impair or waive the rights of any Company Party to assert or raise any objection, to the extent not inconsistent with this Agreement, in connection with the Restructuring Transactions or implementation thereof;

(b) affect the ability of any Company Party to consult with any Consenting Stakeholder;

(c) prevent any Company Party from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement; or

(d) prohibit any Company Party from taking any action that is not inconsistent with this Agreement.

Section 9. ***Transfer of Interests and Securities***.

9.01. During the Agreement Effective Period, no Consenting Stakeholder shall Transfer any ownership (including any beneficial ownership as defined in the Rule 13d-3 under the Securities Exchange Act of 1934, as amended) in any Company Claims/Interests to any affiliated or unaffiliated party, including any party in which it may hold a direct or indirect beneficial interest, unless:

(a) in the case of any Company Claims/Interests, the authorized transferee is either: (i) a qualified institutional buyer as defined in Rule 144A of the Securities Act, (ii) a non-U.S. person in an offshore transaction as defined under Regulation S under the Securities Act, (iii) an accredited investor (as defined in the Rules), (iv) with respect to the 2015 Credit Facility Claims, the 2018 Credit Facility Claims or the Weberstown Facility Claims, an Eligible Assignee (as defined in the 2015 Credit Agreement, the 2018 Credit Agreement or the Weberstown Credit Agreement, as applicable), or (v) a Consenting Stakeholder;

(b) either (i) the transferee executes and delivers to Counsel to the Company Parties, Counsel to the *Ad Hoc* Lender Group, and Counsel to the Plan Sponsor, at or before the time of the proposed Transfer, a Transfer Agreement or (ii) the transferee is a Consenting Stakeholder and the transferee provides notice of such Transfer (including the amount and type of Company Claim/Interest Transferred) to Counsel to the Company Parties at or before the time of the proposed Transfer; and

(c) with respect to the Transfer of any Company Claims/Interests, such Transfer shall not violate the terms of any order entered by the Bankruptcy Court with respect to the preservation of net operating losses or other tax attributes.

9.02. Upon compliance with the requirements of Section 9.01, the transferor shall be deemed to relinquish its rights (and be released from its obligations) under this Agreement to the extent of the rights and obligations in respect of such transferred Company Claims/Interests. Any Transfer in violation of Section **9.01** shall be void *ab initio*. Any Consenting Stakeholder that effectuates a transfer in accordance with this Section 9 shall have no liability under this Agreement arising from or related to the failure of the transferee to comply with the terms of this Agreement.

9.03. This Agreement shall in no way be construed to preclude the Consenting Stakeholders from acquiring additional Company Claims/Interests; *provided,* however, that (a) such additional Company Claims/Interests shall automatically and immediately upon acquisition by a Consenting Stakeholder be deemed subject to the terms of this Agreement (regardless of when or whether notice of such acquisition is given to Counsel to the Company Parties or counsel to any other Consenting Stakeholder) and (b) such Consenting Stakeholder must provide notice of such acquisition (including the amount and type of Company Claim/Interest acquired) to Counsel to the Company Parties, Counsel to the *Ad Hoc* Lender Group, and Counsel to the Plan Sponsor, within one (1) Business Day of such acquisition.

9.04. This Section 9 shall not impose any obligation on any Company Party to issue any "cleansing letter" or otherwise publicly disclose information for the purpose of enabling a Consenting Stakeholder to Transfer any of its Company Claims/Interests. Notwithstanding anything to the contrary herein, to the extent a Company Party and another Party have entered into a Confidentiality Agreement, the terms of such Confidentiality Agreement shall continue to apply and remain in full force and effect according to its terms, and this Agreement does not supersede any rights or obligations otherwise arising under such Confidentiality Agreements.

9.05. Notwithstanding Section 9.01, a Consenting Stakeholder may Transfer any Company Claims/Interests to a Qualified Marketmaker, and a Qualified Marketmaker that acquires any Company Claims/Interests with the purpose and intent of acting as a Qualified Marketmaker for such Company Claims/Interests shall not be required to execute and deliver a Transfer Agreement in respect of such Company Claims/Interests if:

(a) such Qualified Marketmaker subsequently transfers such Company Claims/Interests (by purchase, sale assignment, participation, or otherwise) within five (5) Business Days of its acquisition to a transferee that is an entity that is not an affiliate, affiliated fund, or affiliated entity with a common investment advisor;

(b) the transferee otherwise is a Permitted Transferee under Section 9.01; and

(c) the Transfer otherwise is a Permitted Transfer under Section 9.01. Notwithstanding the foregoing, to the extent that a Consenting Stakeholder is acting in its capacity as a Qualified Marketmaker, it may Transfer (by purchase, sale, assignment, participation, or otherwise) any right, title or interests in Company Claims/Interests that the Qualified Marketmaker acquires from

a holder of the Company Claims/Interests who is not a Consenting Stakeholder without the requirement that the transferee be a Permitted Transferee.

9.06. Notwithstanding anything to the contrary in this Section 9, the restrictions on Transfers set forth in this Section 9 shall not apply to the grant of any liens or encumbrances on any claims and interests in favor of a bank or broker-dealer holding custody of such claims and interests in the ordinary course of business and which lien or encumbrance is released upon the Transfer of such claims and interests.

9.07. Additional Consenting Stakeholders. Any holder of Company Claims/Interests that is not a party to this Agreement as of the Agreement Effective Date may, at any time after the Agreement Effective Date, become a Consenting Stakeholder by executing and delivering a Joinder to Counsel to the Company Parties, Counsel to the *Ad Hoc* Lender Group, and Counsel to the Plan Sponsor, pursuant to which such Entity shall be bound by the terms of this Agreement.

Section 10. ***Representations and Warranties of Consenting Stakeholders***. Each Consenting Stakeholder severally, and not jointly, represents and warrants that, as of the date such Consenting Stakeholder executes and delivers this Agreement and as of the Plan Effective Date:

(a) it is the beneficial or record owner of the face amount of the Company Claims/Interests or is the nominee, investment manager, or advisor for beneficial holders of the Company Claims/Interests reflected in, and, having made reasonable inquiry, is not the beneficial or record owner of any Company Claims/Interests other than those reflected in, such Consenting Stakeholder's signature page to this Agreement or a Transfer Agreement, as applicable (as may be updated pursuant to Section 9);

(b) it has the full power and authority to act on behalf of, vote and consent to matters concerning, such Company Claims/Interests;

(c) such Company Claims/Interests are free and clear of any pledge, lien, security interest, charge, claim, equity, option, proxy, voting restriction, right of first refusal, or other limitation on disposition, transfer, or encumbrances of any kind, that would adversely affect in any way such Consenting Stakeholder's ability to perform any of its obligations under this Agreement at the time such obligations are required to be performed;

(d) it has the full power to vote, approve changes to, and transfer all of its Company Claims/Interests referable to it as contemplated by this Agreement subject to applicable Law; and

(e) solely with respect to holders of Company Claims/Interests, (i) it is either (A) a qualified institutional buyer as defined in Rule 144A of the Securities Act, (B) not a U.S. person (as defined in Regulation S of the Securities Act), or (C) an accredited investor (as defined in the Rules); (ii) any securities acquired by the Consenting Stakeholder in connection with the Restructuring Transactions will have been acquired for investment and not with a view to distribution or resale in violation of the Securities Act; (iii) understands that the securities contemplated by this Agreement have not been registered under the Securities Act as of the date hereof and may not be resold without registration under the Securities Act except pursuant to a specific exemption from the registration provisions of the Securities Act; and (iv) is not acquiring the securities contemplated by this Agreement as a result of any advertisement, article, notice, or

other communication regarding such securities published in any newspaper, magazine, or similar media or broadcast over television, radio, or presented at any seminar or any other general solicitation or general advertisement.

Section 11. ***Mutual Representations, Warranties, and Covenants***. Each of the Parties, severally and not jointly, represents, warrants, and covenants to each other Party, as of the date such Party executes and delivers this Agreement, on the Plan Effective Date:

(a) it is validly existing and in good standing under the Laws of the state of its organization, and this Agreement is a legal, valid, and binding obligation of such Party, enforceable against it in accordance with its terms, except as enforcement may be limited by applicable Laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability;

(b) except as expressly provided in this Agreement, the Plan, and the Bankruptcy Code, no consent or approval is required by any other person or Entity in order for it to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement;

(c) the entry into and performance by it of, and the transactions contemplated by, this Agreement do not, and will not, conflict in any material respect with any Law or regulation applicable to it or with any of its articles of association, memorandum of association, or other constitutional documents;

(d) except as expressly provided in this Agreement, it has (or will have, at the relevant time) all requisite corporate or other power and authority to enter into, execute, and deliver this Agreement and to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement; and

(e) except as expressly provided by this Agreement, it is not party to any restructuring or similar agreements or arrangements regarding the Debtors with the other Parties to this Agreement that have not been disclosed to all Parties to this Agreement.

Section 12. ***Termination Events***.

12.01. Consenting Stakeholder Termination Events. This Agreement may be terminated (a) with respect to the Consenting *Ad Hoc* Lenders, by the Required Consenting *Ad Hoc* Lenders, or (b) with respect to the Plan Sponsor, by the Plan Sponsor, in each case, by the delivery to Counsel to the Company Parties, Counsel to the *Ad Hoc* Lender Group, and Counsel to the Plan Sponsor of a written notice in accordance with Section **15.11** hereof upon the occurrence of any of the following events:

(a) the breach in any material respect by a Company Party of any of the representations, warranties, obligations, or covenants of the Company Parties set forth in this Agreement or any Definitive Documents that (i) is adverse to the Consenting Stakeholders seeking termination pursuant to this provision and (ii) remains uncured for seven (7) Business Days after such terminating Consenting Stakeholders transmit a written notice in accordance with Section 15.11 hereof detailing any such breach;

(b) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling, judgment, or order that (i) enjoins the consummation of a material portion of the Restructuring Transactions and (ii) remains in effect for fifteen (15) Business Days; *provided*, that this termination right may not be exercised by any Party that sought or requested such ruling or order in contravention of any obligation set out in this Agreement;

(c) the entry of an order by the Bankruptcy Court, or the filing of a motion or application by any Company Party seeking an order (without the prior written consent of the Required Consenting Stakeholders):

(i) converting one or more of the Chapter 11 Cases of a Company Party to a case under chapter 7 of the Bankruptcy Code;

(ii) appointing a trustee, receiver, or an examiner with expanded powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code in one or more of the Chapter 11 Cases of a Company Party;

(iii) dismissing the Chapter 11 Cases;

(iv) rejecting this Agreement; or

(v) approving any (a) plan of reorganization (or disclosure statement related thereto) in the Chapter 11 Cases inconsistent with the terms of this Agreement or (b) Definitive Documents inconsistent in any material respect with this Agreement in a manner that directly and adversely impacts the treatment of the terminating Consenting Stakeholders;

(d) the Bankruptcy Court enters an order denying confirmation of the Plan, and the Bankruptcy Court does not enter a Confirmation Order reasonably acceptable to the Required Consenting Stakeholders within ten (10) Business Days;

(e) the entry of an order by the Bankruptcy Court or any other court of competent jurisdiction reversing, vacating, reconsidering, or dismissing the Confirmation Order, or any of the DIP Orders, and the Bankruptcy Court does not enter a revised Confirmation Order or DIP Order, as applicable, reasonably acceptable to the Required Consenting Stakeholders within ten (10) Business Days;

(f) subject to Section 7.02(g) in its entirety, the entrance, amendment, modification, renewal, or termination of any Material Lease, or any amendment of the foregoing, without the consent of (i) the Plan Sponsor (such consent not to be unreasonably withheld) and (ii) to the extent such action would materially and adversely affect the interests of any Consenting Stakeholder, the reasonable consent of such Consenting Stakeholder whose interests are affected;

(g) any of the Company Parties enters into any key employee incentive plan or key employee retention plan, any new or amended agreement regarding executive compensation, or other compensation agreement, in each case, outside of the ordinary course of business without obtaining the prior written consent of the Required Consenting *Ad Hoc* Lenders and the Plan Sponsor (in each case, such consent not to be unreasonably withheld);

(h) with respect to the Plan Sponsor, the failure to comply with or achieve any one of the Milestones, and with respect to the Required Consenting *Ad Hoc* Lenders, the failure to comply with or achieve the Confirmation Order Milestone or the Effective Date Milestone, in each case as such Milestones may be extended or waived pursuant to Section 4.01;

(i) the occurrence and continuation of any event of default under the DIP Credit Agreement that is not cured in accordance with the terms of the DIP Credit Agreement;

(j) any Company Party challenges the principal amount, perfection, priority, and/or validity of any 2015 Credit Facility Claim, 2018 Credit Facility Claim, Weberstown Term Loan Facility Claim, or Unsecured Notes Claim held by a Consenting Stakeholder, or any liens associated with such claims;

(k) an order is entered by the Bankruptcy Court granting relief from the automatic stay imposed by Section 362 of the Bankruptcy Code authorizing any party to proceed against any material asset of a Company Party that is a borrower or guarantor in respect of any of the Existing Debt Agreements;

(l) the Bankruptcy Court enters an order in the Chapter 11 Cases terminating any of the Company Parties' exclusive right to file a plan or plans of reorganization pursuant to Section 1121 of the Bankruptcy Code;

(m) the board of directors, board of managers, or such similar governing body of any Company Party determines, pursuant to Section 8.01, after consulting with counsel, (i) that proceeding with any of the Restructuring Transactions would be inconsistent with the exercise of its fiduciary duties or applicable Law or (ii) in the exercise of its fiduciary duties, to pursue an Alternative Restructuring Proposal and any Company Party, and (a) makes a public announcement that it intends to accept an Alternative Restructuring Proposal or (b) enters into a definitive agreement with respect to an Alternative Restructuring Proposal; *provided* that no Consenting Stakeholder may terminate this Agreement solely pursuant to this Section 12.01(m) if such Alternative Restructuring Proposal is an Acceptable Alternative Restructuring Proposal that is binding and does not contain any financing or due diligence condition; or

(n) the Backstop Commitment Agreement has been terminated in accordance with its terms; *provided* that if the Backstop Commitment Agreement is terminated by the Company Parties upon the material breach of the Backstop Parties, neither the Backstop Equity Premium, the Backstop Base Premium, nor the Backstop Termination Premium shall be earned by the Backstop Parties; *provided, further* that, following delivery of a Toggle Election Notice, no Consenting Stakeholder may terminate this Agreement pursuant to this Section 12.01(n) solely because the Backstop Commitment Agreement has been terminated by the Company Parties; or

(o) solely as to the Consenting *Ad Hoc* Lenders, the breach in any material respect by the Plan Sponsor, and solely as to the Plan Sponsor, the breach in any material respect by the Required Consenting *Ad Hoc* Lenders, in each case of any of the representations, warranties, obligations, or covenants of the Plan Sponsor (or, as applicable, the Consenting *Ad Hoc* Lenders) set forth in this Agreement or any Definitive Documents that (i) is adverse, in any material way, to the Consenting Stakeholder or Consenting Stakeholders seeking termination pursuant to this

provision and (ii) remains uncured for seven (7) Business Days after such terminating Consenting Stakeholders transmit a written notice in accordance with Section **15.11** hereof detailing any such breach.

12.02. Company Party Termination Events. Any Company Party may terminate this Agreement as to all Parties upon prior written notice to all Parties in accordance with Section **15.11** hereof upon the occurrence of any of the following events:

(a) the breach in any material respect by one or more of the Consenting Stakeholders of any provision set forth in this Agreement that remains uncured for a period of ten (10) Business Days after the receipt by the breaching Consenting Stakeholders of notice of such breach;

(b) the board of directors, board of managers, or such similar governing body of any Company Party determines, after consulting with counsel, (i) that proceeding with any of the Restructuring Transactions would be inconsistent with the exercise of its fiduciary duties or applicable Law or (ii) in the exercise of its fiduciary duties, to pursue an Alternative Restructuring Proposal that is not an Acceptable Alternative Restructuring Proposal;

(c) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling or order that (i) enjoins the consummation of a material portion of the Restructuring Transactions and (ii) remains in effect for fifteen (15) Business Days after such terminating Company Party transmits a written notice in accordance with Section 15.11 hereof detailing any such issuance; *provided*, that this termination right shall not apply to or be exercised by any Company Party that sought or requested such ruling or order in contravention of any obligation or restriction set out in this Agreement;

(d) the termination of this Agreement by the Required Consenting *Ad Hoc* Lenders or the Plan Sponsor pursuant to Section 12.01(o); *provided* that if such termination is by the Required Consenting *Ad Hoc* Lenders, the Plan Sponsor shall have forty-five (45) days to provide alternative financing sufficient to pay the 2015 Credit Facility Claims, the 2018 Credit Facility Claims, and the Weberstown Term Loan Claims in Cash in full;[3] or

(e) the Bankruptcy Court enters an order denying confirmation of the Plan.

12.03. Mutual Termination. This Agreement, and the obligations of all Parties hereunder, may be terminated by mutual written agreement among all of the following: (a) the Required Consenting Stakeholders; and (b) each Company Party.

12.04. Automatic Termination. This Agreement shall terminate automatically without any further required action or notice upon the Plan Effective Date, or if the milestone set forth in Section 4.01(a) has not been met.

12.05. Effect of Termination. Upon the occurrence of a Termination Date as to a Party, this Agreement shall be of no further force and effect as to such Party and each Party subject to

[3] Backstop Commitment Agreement to provide that if the Company terminates pursuant to this Section (d), none of the Backstop Equity Premium, the Backstop Base Premium, or the Backstop Termination Premium shall be due.

such termination shall be released from its commitments, undertakings, and agreements under or related to this Agreement and shall have the rights and remedies that it would have had, had it not entered into this Agreement, and shall be entitled to take all actions, whether with respect to the Restructuring Transactions or otherwise, that it would have been entitled to take had it not entered into this Agreement, including with respect to any and all Claims or causes of action. Upon the occurrence of a Termination Date prior to the Confirmation Order being entered by a Bankruptcy Court, any and all consents or ballots tendered by the Parties subject to such termination before a Termination Date shall be deemed, for all purposes, to be null and void from the first instance and shall not be considered or otherwise used in any manner by the Parties in connection with the Restructuring Transactions and this Agreement or otherwise; *provided* that such ballots may be changed or resubmitted regardless of whether the applicable voting deadline has passed (without the need to seek a court order or consent from the Company Parties allowing such change or resubmission); *provided*, *however*, any Consenting Stakeholder withdrawing or changing its vote pursuant to this Section 12.05 shall promptly provide written notice of such withdrawal or change to each other Party to this Agreement.

Nothing in this Agreement shall be construed as prohibiting a Company Party or any of the Consenting Stakeholders from contesting whether any such termination is in accordance with its terms or to seek enforcement of any rights under this Agreement that arose or existed before a Termination Date. Except as expressly provided in this Agreement, nothing herein is intended to, or does, in any manner waive, limit, impair, or restrict (a) any right of any Company Party or the ability of any Company Party to protect and reserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any Consenting Stakeholder, and (b) any right of any Consenting Stakeholder, or the ability of any Consenting Stakeholder, to protect and preserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any Company Party or Consenting Stakeholder. No purported termination of this Agreement shall be effective under this Section 12.05 or otherwise if the Party seeking to terminate this Agreement is in material breach of this Agreement, except a termination pursuant to Section 12.02(e).

Section 13. ***Amendments and Waivers***

13.01. This Agreement may not be modified, amended, or supplemented, and no condition or requirement of this Agreement may be waived, in any manner except in accordance with this Section 13.

13.02. This Agreement may be modified, amended, or supplemented, or a condition or requirement of this Agreement may be waived, in a writing signed by:

(a) each Company Party;

(b) solely with respect to any modification, amendment, waiver or supplement that adversely affects the rights of the *Ad Hoc* Lenders in any material respect and unless otherwise specified in this Agreement, the Required Consenting *Ad Hoc* Lenders; and

(c) the Plan Sponsor, *provided*, *however*, that if the proposed modification, amendment, waiver, or supplement has a material, disproportionate, and adverse effect on any of

the Company Claims/Interests held by a Consenting Stakeholder, then the consent of each such affected Consenting Stakeholder shall also be required to effectuate such modification, amendment, waiver or supplement.

13.03. Any proposed modification, amendment, waiver or supplement that does not comply with this Section 13 shall be ineffective and void *ab initio*.

13.04. Any consent or waiver contemplated in this Section 13 may be provided by electronic mail from counsel to the relevant Parties.

13.05. The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any Party to exercise, and no delay in exercising, any right, power or remedy under this Agreement shall operate as a waiver of any such right, power or remedy or any provision of this Agreement, nor shall any single or partial exercise of such right, power or remedy by such Party preclude any other or further exercise of such right, power or remedy or the exercise of any other right, power or remedy. All remedies under this Agreement are cumulative and are not exclusive of any other remedies provided by Law.

Section 14. ***Reserved***.

Section 15. ***Miscellaneous.***

15.01. Confidentiality. The Parties understand and acknowledge that this Agreement may be disclosed and filed with the Bankruptcy Court and the U.S. Securities and Exchange Commission; *provided* that in such disclosure the executed signature pages to this Agreement shall be redacted and no individual holdings information shall be included, except as may be required by applicable law; *provided, further* that the Company Parties may disclose the aggregate amount of each of the Company Claims/Interests held by the Consenting Stakeholders. The Company Parties shall not disclose to any person the amount or percentage of Claims held by any individual Consenting Stakeholder, except as may be required by law. If in either case such disclosure is required by law, the Company Parties shall provide each Consenting Stakeholder with advanced notice (to the extent practicable) of the intent to disclose and shall afford each Consenting Stakeholder a reasonable opportunity to (i) seek a protective order or other appropriate remedy, or (ii) review and comment upon any such disclosure prior to the Company Parties making such disclosure.

15.02. Acknowledgements. Notwithstanding any other provision herein, this Agreement is not and shall not be deemed to be an offer with respect to any securities or solicitation of votes for the acceptance of a plan of reorganization for purposes of sections 1125 and 1126 of the Bankruptcy Code or otherwise. Any such offer or solicitation will be made only in compliance with all applicable securities Laws, provisions of the Bankruptcy Code, and/or other applicable Law. Notwithstanding anything to the contrary in this Agreement, the Backstop Commitment Agreement, or any other document, no party shall be entitled to terminate this Agreement or the Backstop Commitment Agreement because the Bidding Procedures are amended in a manner contrary to the proviso in the definition of "Bidding Procedures" herein, if such amendment is required by the Bankruptcy Court.

15.03. Exhibits Incorporated by Reference; Conflicts. Each of the exhibits, annexes, signatures pages, and schedules attached hereto is expressly incorporated herein and made a part of this Agreement, and all references to this Agreement shall include such exhibits, annexes, and schedules. In the event of any inconsistency between this Agreement (without reference to the exhibits, annexes, and schedules hereto) and the exhibits, annexes, and schedules hereto, the exhibits, annexes, and schedules shall govern until such time that the Definitive Documents have been negotiated and agreed in accordance with the consent rights hereunder, at which time, the terms and conditions set forth in the Definitive Documents, to the extent intended to supersede this Agreement, shall govern.

15.04. Further Assurances. Subject to the other terms of this Agreement, the Parties agree to execute and deliver such other instruments and perform such acts, in addition to the matters herein specified, as may be reasonably appropriate or necessary, or as may be required by order of the Bankruptcy Court, from time to time, to effectuate the Restructuring Transactions, as applicable.

15.05. Complete Agreement. Except as otherwise explicitly provided herein, this Agreement, including all exhibits, schedules and annexes hereto, constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written, among the Parties with respect thereto, other than any Confidentiality Agreement.

15.06. GOVERNING LAW; SUBMISSION TO JURISDICTION; SELECTION OF FORUM. THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. Each Party hereto agrees that it shall bring any action or proceeding in respect of any claim arising out of or related to this Agreement, to the extent possible, in the Bankruptcy Court, and solely in connection with claims arising under this Agreement: (a) irrevocably submits to the exclusive jurisdiction of the Bankruptcy Court; (b) waives any objection to laying venue in any such action or proceeding in the Bankruptcy Court; (c) waives any objection that the Bankruptcy Court is an inconvenient forum or does not have jurisdiction over any Party hereto; and (d) consents to entry of a Final Order or judgment by the Bankruptcy Court.

15.07. TRIAL BY JURY WAIVER. EACH PARTY HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

15.08. Execution of Agreement. This Agreement may be executed and delivered in any number of counterparts and by way of electronic signature and delivery, each such counterpart, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement. Except as expressly provided in this Agreement, each individual executing this Agreement on behalf of a Party has been duly authorized and empowered to execute and deliver this Agreement on behalf of said Party.

15.09. Rules of Construction. This Agreement is the product of negotiations among the Company Parties and the Consenting Stakeholders, and in the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Agreement, or any portion hereof, shall not be effective in regard to the interpretation hereof. The Company Parties and the Consenting Stakeholders were each represented by counsel during the negotiations and drafting of this Agreement and continue to be represented by counsel.

15.10. Successors and Assigns; Third Parties. This Agreement is intended to bind and inure to the benefit of the Parties and their respective successors and permitted assigns, as applicable. Other than with respect to the persons, advisors, or other Entities referenced in Section 15.12, there are no third party beneficiaries under this Agreement, and the rights or obligations of any Party under this Agreement may not be assigned, delegated, or transferred to any other person or entity, except as set forth in Section 9.

15.11. Notices. All notices hereunder shall be deemed given if in writing and delivered, by electronic mail, courier, or registered or certified mail (return receipt requested), to the following addresses (or at such other addresses as shall be specified by like notice):

(a) if to a Company Party, to:

Washington Prime Group Inc.
Salesforce Tower
111 Monument Circle
Indianapolis, IN 46204
Attention: Robert P. Demchak, Executive Vice President and General Counsel

with copies to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Attention: Joshua A. Sussberg, P.C., Alexander J. Nicas
E-mail address: joshua.sussberg@kirkland.com, alexander.nicas@kirkland.com

and

Kirkland & Ellis LLP
300 North LaSalle Street
Chicago, IL 60654
Attention: Chad J. Husnick, P.C, Dan Latona
E-mail address: chad.husnick@kirkland.com, dan.latona@kirkland.com

and

(b) if to the *Ad Hoc* Lender Group, to:

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, NY 10019
Attention: Joshua A. Feltman, Rod N. Ghods, Elyssa C. Eisenberg
E-mail address: jafeltman@wlrk.com, rnghods@wlrk.com,
eceisenberg@wlrk.com

and

(c) if to the Plan Sponsor, to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Attention: Damian Schaible, Angela Libby, Aryeh Ethan Falk
E-mail address: damian.schaible@davispolk.com, angela.libby@davispolk.com,
aryeh.falk@davispolk.com

Any notice given by delivery, mail, or courier shall be effective when received.

15.12. Independent Due Diligence and Decision Making. Each Consenting Stakeholder hereby confirms for the benefit of the Company Parties (including for the benefit of any person acting on behalf of any of the Company Parties, including any financial or other advisor of any of the foregoing) that (i) it has the requisite knowledge and experience in financial and business matters so that it is capable of evaluating the merits and risks of the securities to be acquired by it pursuant to the Restructuring Transactions contemplated hereby and has had such opportunity as it has deemed adequate to obtain such information as is necessary to permit such Party to evaluate the merits and risks of the securities to be acquired by it pursuant to the Restructuring Transactions contemplated hereby, and (ii) that its decision to execute this Agreement and participate in any of the Restructuring Transactions contemplated hereby has been based upon its independent investigation of the operations, businesses, financial and other conditions, and prospects of the Company Parties and/or the Restructuring Transactions, and such decision is not in reliance upon any representations or warranties other than those contained in the Definitive Documents.

15.13. Enforceability of Agreement. Each of the Parties, to the extent enforceable, waives any right to assert that the exercise of termination rights under this Agreement is subject to the automatic stay provisions of the Bankruptcy Code, and expressly stipulates and consents hereunder to the prospective modification of the automatic stay provisions of the Bankruptcy Code for purposes of exercising termination rights under this Agreement, to the extent the Bankruptcy Court determines that such relief is required.

15.14. Waiver. If the Restructuring Transactions are not consummated, or if this Agreement is terminated for any reason, the Parties fully reserve any and all of their rights. Pursuant to Federal Rule of Evidence 408 and any other applicable rules of evidence, this Agreement and all negotiations relating hereto shall not be admissible into evidence in any

proceeding other than a proceeding to enforce its terms or the payment of damages to which a Party may be entitled under this Agreement.

15.15. Specific Performance. It is understood and agreed by the Parties that money damages would be an insufficient remedy for any breach of this Agreement by any Party, and each non-breaching Party shall be entitled to specific performance and injunctive or other equitable relief (without the posting of any bond and without proof of actual damages) as a remedy of any such breach, including an order of the Bankruptcy Court or other court of competent jurisdiction requiring any Party to comply promptly with any of its obligations hereunder.

15.16. Several, Not Joint, Claims. Except where otherwise specified, the agreements, representations, warranties, and obligations of the Parties under this Agreement are, in all respects, several and not joint.

15.17. Severability and Construction. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remaining provisions shall remain in full force and effect if essential terms and conditions of this Agreement for each Party remain valid, binding, and enforceable.

15.18. Remedies Cumulative. All rights, powers, and remedies provided under this Agreement or otherwise available in respect hereof at Law or in equity shall be cumulative and not alternative, and the exercise of any right, power, or remedy thereof by any Party shall not preclude the simultaneous or later exercise of any other such right, power, or remedy by such Party.

15.19. Capacities of Consenting Stakeholders. Each Consenting Stakeholder has entered into this agreement on account of all Company Claims/Interests that it holds (directly or through discretionary accounts that it manages or advises) and, except where otherwise specified in this Agreement, shall take or refrain from taking all actions that it is obligated to take or refrain from taking under this Agreement with respect to all such Company Claims/Interests.

15.20. Survival. Notwithstanding (i) any Transfer of any Company Claims/Interests in accordance with this Agreement or (ii) the termination of this Agreement in accordance with its terms, the agreements and obligations of the Company Parties in Section 7.01(n) (with respect to amounts accrued prior to the date of termination of this Agreement), each of the Parties in Section 15 and the Confidentiality Agreements shall survive such Transfer and/or termination and shall continue in full force and effect for the benefit of the Parties in accordance with the terms hereof and thereof.

15.21. Relationship Among Consenting Stakeholders.

(a) Notwithstanding anything to the contrary herein, the duties and obligations of the Consenting Stakeholders under this Agreement shall be several, not joint, with respect to each Consenting Stakeholder. None of the Consenting Stakeholders shall have any fiduciary duty, any duty of trust or confidence in any form, or other duties or responsibilities in any kind or form to each other, any Consenting Stakeholders, any Company Party, or any of the Company Party's respective creditors or other stakeholders.

(b) The Company Parties acknowledge that the Consenting Stakeholders are engaged in a wide range of financial services and business, and, in furtherance of the foregoing, the Consenting Stakeholders and Company Parties acknowledge and agree that the obligations set forth in this Agreement shall only apply to the trading desk(s) and/or business group(s) of the Consenting Stakeholders that principally manage and/or supervise such Consenting Stakeholder's investment in the Company Parties, and shall not apply to any other trading desk or business group of such Consenting Stakeholder so long as they are not acting at the direction or for the benefit of such Consenting Stakeholder.

15.22. Email Consents. Where a written consent, acceptance, approval, or waiver is required pursuant to or contemplated by this Agreement, pursuant to Section 3.02, Section 13, or otherwise, including a written approval by the Company Parties, the Required Consenting *Ad Hoc* Lenders, or the Plan Sponsor, as applicable, such written consent, acceptance, approval, or waiver shall be deemed to have occurred if, by agreement between counsel to the Parties submitting and receiving such consent, acceptance, approval, or waiver, it is conveyed in writing (including electronic mail) between each such counsel without representations or warranties of any kind on behalf of such counsel.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first above written.

EXHIBIT A

Company Parties

Company Parties

Washington Prime Group Inc.	Melbourne Square, LLC
Washington Prime Group, L.P.	MFC Beavercreek, LLC
Bloomingdale Court, LLC	Morgantown Mall LLC
Bowie Mall Company, LLC	MSA/PSI Altamonte Limited Partnership
Boynton Beach Mall, LLC	MSA/PSI Ocala Limited Partnership
C.C. Altamonte Joint Venture	Northwoods Ravine, LLC
C.C. Ocala Joint Venture	Northwoods Shopping Center, LLC
C.C. Westland Joint Venture	Orange Park Mall, LLC
Chautauqua Mall, LLC	Paddock Mall, LLC
Chesapeake Center, LLC	Plaza at Buckland Hills, LLC
Chesapeake Theater, LLC	Plaza at Countryside, LLC
Clay Terrace Partners, LLC	Plaza at Northwood, LLC
Coral Springs Joint Venture	Plaza at Tippecanoe, LLC
CT Partners, LLC	Richardson Square, LLC
Dare Center, LLC	Rockaway Town Court, LLC
Dayton Mall III LLC	Rockaway Town Plaza, LLC
Downeast LLC	Rolling Oaks Mall, LLC
Edison Mall, LLC	Royal Eagle Plaza LLC
Empire East, LLC	Royal Eagle Plaza II LLC
Fairfax Court Center LLC	Shops at Northeast Mall, LLC
Fairfield Town Center, LLC	Simon MV, LLC
Fairfield Village, LLC	SM Mesa Mall, LLC
Gaitway Plaza, LLC	Southern Hills Mall LLC
Greenwood Plus Center, LLC	Southern Park Mall, LLC
Jefferson Valley Center LLC	St. Charles Towne Plaza, LLC
Keystone Shoppes, LLC	Sunland Park Mall, LLC
KI-Henderson Square Associates, L.P.	The Outlet Collection LLC
KI-Henderson Square Associates, LLC	Town Center at Aurora II LLC
KI-Whitemak Associates, LLC	University Park Mall CC, LLC
Lakeview Plaza (Orland), LLC	University Town Plaza, LLC
Lima Center, LLC	Village Park Plaza, LLC
Lincoln Crossing, LLC	Villages at MacGregor, LLC
Lindale Mall, LLC	Washington Plaza, LLC
Mall at Cottonwood II LLC	Washington Prime Management Associates, LLC
Mall at Great Lakes, LLC	Washington Prime Property Limited Partnership
Mall at Irving, LLC	West Town Corners, LLC

Mall at Jefferson Valley, LLC	Westshore Plaza II LLC
Mall at Lake Plaza, LLC	Whitemak Associates
Mall at Lima, LLC	WPG Management Associates, Inc.
Mall at Longview, LLC	WPG Northtown Venture LLC
Maplewood Mall, LLC	WPG Rockaway Commons, LLC
Markland Fee Owner LLC	WPG Westshore, LLC
Markland Mall, LLC	WPG Wolf Ranch, LLC
Markland Plaza, LLC	WTM Stockton, LLC
Martinsville Plaza, LLC	

EXHIBIT B

Restructuring Term Sheet

Washington Prime Group
Restructuring Term Sheet

This term sheet (this "Term Sheet") sets forth certain material terms of a proposed restructuring (the "Restructuring") of Washington Prime Group, L.P. ("WPG LP") and the other Company Parties listed on Annex A hereto (collectively, the "Company" or the "Debtors"). Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the DIP Credit Agreement, the New Term Loan Exit Facility Term Sheet, the Backstop Commitment Term Sheet, or the restructuring support agreement to which this Term Sheet will be attached (together with all exhibits and supplements attached thereto, including this Term Sheet, the "RSA").[1]

This Term Sheet does not include a description of all the terms, conditions, and other provisions that are to be contained in the definitive documentation governing the Restructuring, which remain subject to negotiation and completion in accordance with the RSA and applicable bankruptcy law. The documents executed to effectuate the Restructuring will not contain any material terms or conditions that are inconsistent in any material respect with this Term Sheet or the RSA.

This Term Sheet is neither an offer to buy or sell any security nor a solicitation of acceptances of a chapter 11 plan within the meaning of Section 1125 of the Bankruptcy Code. Any such offer or solicitation will comply with all applicable securities laws and provisions of the Bankruptcy Code. Nothing contained in this Term Sheet shall be an admission of fact or liability or, until the occurrence of the Plan Effective Date in the RSA, deemed binding on any of the parties hereto. Nothing herein constitutes an agreement, understanding or commitment to effectuate or implement a restructuring on the terms described herein or on any other terms.

[1] Capitalized Terms used but not defined herein shall have the meanings ascribed to such terms in the RSA.

OVERVIEW	
Implementation	The Restructuring will be accomplished through the Company's voluntary cases under Chapter 11 of title 11 of the United States Code, 11 U.S.C. § § 101–1532, as amended (the "Bankruptcy Code") (the "Chapter 11 Cases") commenced in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court") to implement a chapter 11 plan of reorganization described herein and otherwise consistent with the RSA (the "Plan"). The RSA will be executed by: (a) the Company, (b) Strategic Value Partners, LLC (the "Plan Sponsor"), (c) the holders of at least 66.7% of the aggregate principal amount of the Unsecured Notes, (d) the holders of 100% of the aggregate principal amount of the Weberstown Term Loan Facility Claims, and (e) the holders of at least 71.5% of the aggregate principal amount of the Revolving and Term Loan Facilities Claims. Pursuant to the RSA, and subject to the terms and conditions thereof, the parties thereto have agreed to support the transactions contemplated herein and therein. Each undersigned holder of, or investment advisor, sub-advisor, or manager of discretionary accounts that hold, Unsecured Notes Claims, Weberstown Term Loan Facility Claims, and/or Revolving and Term Loan Facilities Claims (each a "Consenting Stakeholder") shall be required to execute the RSA with respect to all of its holdings under the following agreements, as applicable (such agreements, the "Existing Debt Agreements"): a) that certain Amended and Restated Revolving Credit and Term Loan Agreement, dated as of January 22, 2018 (as amended, supplemented or otherwise modified on or prior to the date hereof, including by that certain Amendment No. 1, dated August 13, 2020) by and among WPG LP, as borrower, certain Company Parties as guarantors, Bank of America, N.A., as collateral and administrative agent, and the lenders party thereto, the "2018 Credit Agreement" and the credit facility under such agreement, the "2018 Credit Facility"); b) that certain Term Loan Agreement, dated as of December 10, 2015 (as amended, supplemented or otherwise modified on or prior to the date hereof, including by that certain Amendment No. 1 to Term Loan Agreement, dated January 22, 2018, and that certain Amendment No. 2 to Term Loan Agreement, dated as of August 13, 2020) by and among WPG LP, as borrower, certain Company Parties as guarantors, GLAS USA LLC and Americas LLC (as successor to PNC Bank, National Association) as collateral and administrative agent, and the lenders party thereto, the "2015 Credit Agreement" (and the credit facility under such

	agreement, the "2015 Credit Facility") and together with the 2018 Credit Agreement, the "Revolving and Term Loan Credit Agreements"; the claims in respect of the Revolving and Term Loan Credit Agreements, the "Revolving and Term Loan Facilities Claims"); c) that certain Indenture, dated as of March 24, 2015 (as amended, restated, amended and restated, supplemented or otherwise modified prior to the date hereof, the "Base Indenture"), between WPG LP, and U.S. Bank National Association, as trustee, registrar, paying agent and transfer agent (the "Trustee") and the Second Supplemental Indenture, dated as of August 4, 2017 (the "Second Supplemental Indenture" (and the notes issued pursuant to the Second Supplemental Indenture, the "Unsecured Notes") and together with the Base Indenture, the "Unsecured Notes Indenture"; the claims in respect of the Unsecured Notes, the "Unsecured Notes Claims"); and d) that certain Senior Secured Term Loan Agreement, dated as of June 8, 2016, (as amended, supplemented or otherwise modified on or prior to the date hereof), including by that certain First Amendment and Waiver to Senior Secured Term Loan Agreement, dated as of December 23, 2016, that certain Second Amendment and Waiver to Senior Secured Term Loan Agreement, dated as of April 10, 2018, and that certain Third Amendment to Senior Secured Term Loan Agreement, dated as of August 13, 2020) by and among WPG LP and WTM Stockton, LLC as borrowers, GLAS USA LLC and Americas LLC (as successor to Huntington National Bank), as collateral and administrative agent, and the lenders party thereto, the "Weberstown Term Loan Agreement" and the credit facility under such agreement, the "Weberstown Term Loan Facility"; the claims in respect of the Weberstown Term Loan Facility, the "Weberstown Term Loan Facility Claims").
DIP Facility/Use of Cash Collateral	The "DIP Facility" shall mean a super-priority debtor in possession credit facility in the aggregate principal amount of $100 million, to be provided by the Plan Sponsor and the members of the Ad Hoc Lender Group that elect to participate on a ratable basis based on their respective aggregate principal claims under each of the Existing Debt Agreements, on the terms and conditions set forth in the DIP Credit Agreement attached as Exhibit C to the RSA and the debtor-in-possession financing credit agreement. The terms of the DIP Facility and any related order approving the DIP Facility, adequate protection, the use of cash collateral or related matters shall be consistent with Exhibit C to the RSA and otherwise consistent with the RSA and this Term Sheet, including the consent rights set forth in the RSA.

New Term Loan Exit Facility	The "New Term Loan Exit Facility" shall consist of a 4-year senior secured term loan facility of take-back debt, in an amount equal to $1,212 million *plus*, at the election of the Plan Sponsor, all accrued and unpaid default interest (up to 2.0% per annum), if applicable, on the Revolving and Term Loan Facilities Claims and Weberstown Term Loan Claims that is not paid in Cash as of the Effective Date as adequate protection (as provided below), on the terms set forth in the term sheet attached hereto as Exhibit D to the RSA (the "New Term Loan Exit Facility Term Sheet") and otherwise on terms satisfactory to the Debtors, the Required Consenting *Ad Hoc* Lenders, and the Plan Sponsor, and to be included in the Plan Supplement.
New Money Equity Rights Offering	The Company will distribute to holders of Unsecured Notes Claims, the Plan subscription rights (the "Equity Rights") to purchase new common equity in Reorganized WPG[3] (the "New Common Equity") for Cash. The Equity Rights will allow the holders thereof, on a record date to be determined, to purchase New Common Equity at a 32.5% discount to Set-Up Equity Value (as defined below). The New Common Equity offered in the Equity Rights Offering (as defined below) shall dilute the New Common Equity issued under the Plan on account of any prepetition claims and shall dilute the New Common Equity issued under the Plan on account of the Existing Preferred Equity Interests, and Existing Common Equity Interests (collectively, the "Existing Equity Interests") solely to the extent provided below. For the avoidance of doubt, the New Common Equity issued in the Equity Rights Offering shall be subject to dilution for the MIP (as defined below). The offering (the "Equity Rights Offering") will be sized to raise gross Cash proceeds of $190 million *plus* the amount required to pay the DIP Facility Claims in full, fund emergence Cash flows, and fund Cash payments to holders of Allowed[4] Existing Equity Interests pursuant to the Equity Option (collectively, the "Equity Rights Offering Amount"), in an aggregate amount not to exceed $325 million (such maximum amount, the "Total Backstop Commitment") to be funded on the Plan Effective Date. The Cash proceeds of the Equity Rights Offering shall be applied by the Company to (i) pay the DIP Facility Claims, (ii) make distributions pursuant to the Plan, (iii) fund working capital, and (iv) fund general corporate purposes. The Equity Rights Offering shall be offered, implemented, or conducted by the Company pursuant to the terms of the RSA and otherwise on the

[3] "**Reorganized WPG**" means WPG Inc., any successor or assign thereto, by merger, consolidation, reorganization, or otherwise, or such other entity as may be designated as such, and which holds all or a portion of the direct and indirect assets and properties of WPG Inc. or WPG LP, in the form of a corporation, limited liability company, partnership, or other form, as the case may be, on and after the Plan Effective Date.

[4] "**Allowed**" means, as to a Claim or an Interest, a Claim or an Interest allowed under the Plan, under the Bankruptcy Code, or by a final order, as applicable.

	terms (including procedures for the implementation thereof) set forth in the agreement attached as Exhibit E to the RSA (the "Backstop Commitment Agreement"). Participation in the Equity Rights Offering may be limited by securities laws to Accredited Investors (as defined in Rule 501(a) of Regulation D of the Securities Act of 1933) that complete a customary accredited investor questionnaire. The structure, timing and solicitation process for the Equity Rights Offering shall be consistent with the Backstop Commitment Agreement and otherwise satisfy the consent rights set forth in the RSA.
Set-Up Equity Value	The Plan will fix the exercise price for New Common Equity to be offered pursuant to the Equity Rights based on a fixed "Set-Up Equity Value" of $800 million. Although the RSA will include certain agreed conditions to the effectiveness of the Plan, changes in the operating performance of the Company during the Chapter 11 Cases or variance in the amount of net debt outstanding under the Exit Facilities shall not alter the allocation of Set-Up Equity Value in the Plan or the exercise price of the Equity Rights. The Set-Up Equity Value is intended only as a contractual term for the limited purpose of determining the exercise price of the Equity Rights and is not a valuation. No party to the RSA shall be required to take a position with respect to valuation except as necessary to fulfill their respective obligations under the RSA and to consummate the Plan.
Backstop Commitments	Each of the Plan Sponsor and its Related Funds (as defined in the Backstop Commitment Agreement) that are party to the Backstop Commitment Agreement (each holder so designated under the Backstop Commitment Agreement, a "Backstop Party") will subscribe for (a) the portion of New Common Equity corresponding to the Equity Rights allocated to such Backstop Party or its affiliates in the Plan, (b) its share of the Minimum Allocation (defined below), and (c) its "Backstop Commitment Percentage" of the New Common Equity offered in the Equity Rights Offering that is not initially subscribed for in the Equity Rights Offering.
Backstop Compensation	In consideration for the Backstop Parties, or their Related Funds, agreeing to make the Backstop Commitment (as defined in the Backstop Commitment Agreement), 50% of the total Equity Rights Offering will be reserved solely for certain Backstop Parties and allocated as set forth in the Backstop Commitment Schedule (as defined in the Backstop Commitment Agreement) (the "Minimum Allocation"). The Equity Rights for the remaining 50% of the Equity Rights Offering (the "Unsecured Notes Rights") will be distributed Pro Rata[5] to holders of Unsecured Notes Claims (including the Backstop Parties and their Related Funds, as applicable).

[5] "**Pro Rata**" means the proportion that an Allowed Claim or an Allowed Interest in a particular Class bears to the aggregate amount of Allowed Claims or Allowed Interests in that Class.

	In further consideration of the Backstop Parties, or their Related Funds, agreeing to make the Backstop Commitment, the Backstop Parties, or their affiliate designees, shall be entitled to a premium in an amount equal to 9% of the Total Backstop Commitment payable to the holders of the Backstop Commitments in New Common Equity at the price per share applicable in the Equity Rights Offering (the "Backstop Equity Premium"). For the avoidance of doubt, the Backstop Equity Premium shall not dilute the New Common Equity issued in the Equity Rights Offering. The fees payable in the event that (a) the Company consummates an Acceptable Alternative Restructuring Proposal[6] under the Plan, or (b) the RSA is terminated for any reason, shall be set forth in the Backstop Commitment Agreement.
Go-Shop	The Go-Shop provisions are set forth in Section 8.02 of the RSA.
New Common Equity	On the Plan Effective Date, Reorganized WPG will issue the New Common Equity: (a) to holders of Unsecured Notes Claims on account of their Claims as provided in the Plan, (b) to holders of Unsecured Notes Claims and Backstop Parties in connection with the Equity Rights Offering, (c) to Backstop Parties as payment of the Backstop Equity Premium, and (d) to holders of Existing Equity Interests on account of their Allowed Interests as provided in the Plan.
Equity Option[7]	Eligible Holders of Allowed Existing Preferred Equity Interests and Allowed Existing Common Equity Interests shall be permitted to elect to receive their recovery in New Common Equity in lieu of receiving their Pro Rata share of Cash from their respective Equity Cash Pool,[8] *provided* that in order to be eligible to elect the Equity Option, any such Holder must have Interests in an amount greater than either (i) [●] Existing Preferred Equity Interests or (ii) [●] Existing Common Equity Interests

6 "**Acceptable Alternative Restructuring Proposal**" means any Alternative Restructuring Proposal that provides for (A) the payment in full in Cash on the Effective Date of (i) Administrative Claims, (ii) DIP Claims, (iii) 2015 Credit Facility Claims, (iv) 2018 Credit Facility Claims, (v) Weberstown Term Loan Facility Claims, (vi) Unsecured Notes Claims (in each case, including, postpetition interest at the default contract rate, where applicable), (vii) General Unsecured Claims, and (viii) the Backstop Base Premium, and (B) additional value in an amount not less than the value of either Cash or New Common Equity provided to Holders of Existing Equity Interests under the Equitization Restructuring, as compared to Cash or non-Cash consideration provided to Holders of Existing Equity Interests under such Acceptable Alternative Restructuring Proposal; *provided* that the Company shall have the right to assess the value of New Common Equity or non-Cash consideration, as applicable, in its sole discretion; *provided, however,* that if the Company so elects to assess the value of New Common Equity or non-Cash consideration, it shall do so with respect to each of the Alternative Restructuring Proposal and the Equitization Restructuring.

7 "**Equity Option**" mean collectively, the (a) Preferred Equity Option, and (b) Common Equity Option (each, as defined below).

8 "**Equity Cash Pools**" mean collectively, the (a) Preferred Equity Cash Pool, and (b) Common Equity Cash Pool (each, as defined below).

	as of the Voting Deadline; *provided, further,* that if less than [●]% of such Holders elect the Equity Option, then, at the Company's election (subject to the consent of the Plan Sponsor), all Eligible Holders of Allowed Existing Equity Interests shall receive their Pro Rata share of Cash from their respective Equity Cash Pool.[9] Any New Common Equity distributed to Allowed Existing Preferred Equity Interests, or Allowed Existing Common Equity Interests pursuant to the Equity Option shall ratably reduce the aggregate amount of Cash available for distribution to such Class' respective Equity Cash Pool.
TREATMENT OF CLAIMS[10] OR INTERESTS[11]	
Holders of Claims against and Interests in the Debtors will receive the following treatment in full and final satisfaction of such Claims and Interests, which shall be released and discharged under the Plan.	
Treatment of DIP Facility Claims	Each holder of an Allowed DIP Facility Claim shall receive payment of its Allowed DIP Facility Claims in full in Cash.
Treatment of Administrative and Priority Claims	Each holder of an Allowed administrative, priority, and tax claim shall have such claim satisfied in full, in Cash, or otherwise receive treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.
Treatment of Revolving and Term Loan Facilities Claims	The Revolving and Term Loan Facilities Claims shall be deemed to be Allowed Claims in the full amount outstanding under the respective Revolving and Term Loan Facility, including all unpaid principal and accrued but unpaid interest (with respect to prepetition interest, at the default base rate set forth in the applicable Revolving and Term Loan Credit Agreement, and with respect to postpetition interest, subject to the Toggle Restructuring as set forth below, at the non-default base rate set forth in the applicable Revolving and Term Loan Credit Agreements for the period from the Petition Date through and including the date that is 90 calendar days following the Petition Date, and at the applicable default base rate thereafter), fees, expenses, and any non-contingent indemnity payable under the Revolving and Term Loan Facilities; *provided* that if over 50% of the property-level mortgage loans entered into by the entities listed on Annex B pay interest at the applicable default rate on their respective property-level debt as of the Petition Date, the Revolving and Term Loan Facilities Claims shall accrue post-petition interest at the

[9] **NTD:** Equity Option thresholds under Company review.

[10] "**Claim**" means any claim, as defined in section 101(5) of the Bankruptcy Code, against any Debtors.

[11] "**Interest**" means any equity security (as defined in section 101(16) of the Bankruptcy Code) in any Debtor, including, for the avoidance of doubt, preferred equity, and any other rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable, or exchangeable securities or other agreements, arrangements or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Debtor.

	default base rate as set forth in the applicable Revolving and Term Loan Credit Agreement throughout the postpetition period. **If the Company effectuates the Equitization Restructuring**,[12] on the Plan Effective Date, each holder of an Allowed Revolving and Term Loan Facilities Claim shall receive, on account of the Allowed Amount of its Allowed Revolving and Term Loan Facilities Claim its Pro Rata share of: (a) New Term Loan Exit Facility Loans in an aggregate principal amount of $1,187 million *plus* at the election of the Plan Sponsor an amount equal to accrued prepetition default interest (and, if applicable, postpetition default interest) up to an equivalent of two percent per annum on the Revolving and Term Loan Facilities Claims; and (b) $150 million of Cash, *plus* Cash in an amount equal to (x) any adequate protection payments with respect to the Revolving and Term Loan Facilities Claims that are then accrued and unpaid and (y) any accrued and unpaid prepetition default rate interest (and postpetition interest, if any) that is not added to the principal balance of the New Term Loan Exit Facility. As adequate protection (pursuant to the DIP Orders), each holder of an Allowed Revolving and Term Loan Facilities Claim shall receive Cash payments in an amount equal to interest (whether accruing pre- or post-petition) and other amounts owing under the applicable loan agreements, in the ordinary course and on the payment dates provided for in the applicable loan agreements; *provided* that two percent per annum of prepetition (and, if applicable, postpetition) default interest shall not be paid as adequate protection and shall be paid or capitalized on the Plan Effective Date in accordance with the preceding paragraph. **If the Company effectuates the Toggle Restructuring,**[13] on the Plan Effective Date, each holder of an Allowed Revolving and Term Loan Facilities Claim shall receive, on account of the Allowed Amount of its Revolving and Term Loan Facilities Claim, including any accrued but unpaid interest (including postpetition interest at the applicable default base rates set forth in the applicable Revolving and Term Loan Credit Agreement for the entire postpetition period), payment in full in Cash.
Treatment of Weberstown Term Loan Facility Claims	The Weberstown Term Loan Facility Claims shall be deemed to be Allowed Claims in the full amount outstanding under the Weberstown Term Loan Agreement, including all unpaid principal and accrued but unpaid interest (with respect to prepetition interest, at the default base rate set forth in the Weberstown Term Loan Agreement, and with respect

[12] "**Equitization Restructuring**" means the transactions contemplated by this Term Sheet that will occur if the Company does not pursue the Toggle Restructuring.

[13] "**Toggle Restructuring**" means the restructuring contemplated by this Term Sheet pursuant to an Acceptable Alternative Restructuring Proposal, and to be provided for in the Plan.

	to postpetition interest, subject to the Toggle Restructuring as set forth below, at the non-default base rate set forth in the Weberstown Term Loan Agreement for the period from the Petition Date through and including the date that is 90 calendar days following the Petition Date, and at the applicable default base rate thereafter), fees, expenses, and non-contingent indemnity payable thereunder; *provided* that, if over 50% of the property-level mortgage loans entered into by the entities listed on Annex B pay interest at the applicable default rate on their respective property-level debt as of the Petition Date, the Weberstown Term Loan Facility Claims shall accrue post-petition interest at the default base rate as set forth in Weberstown Term Loan Agreement throughout the postpetition period. **If the Company effectuates the Equitization Restructuring**, on the Plan Effective Date, each holder of an Allowed Weberstown Term Loan Facility Claim shall receive, on account of the Allowed Amount of its Allowed Weberstown Term Loan Facility Claim, its Pro Rata share of: (a) New Term Loan Exit Facility Loans in the aggregate principal amount of $25 million, *plus* at the election of the Plan Sponsor, an amount equal to accrued, prepetition default interest (and, if applicable, postpetition default interest) up to an equivalent of two percent per annum on the Weberstown Term Loan Facility Claims; and (b) $40 million of Cash *plus* Cash in an amount equal to (x) any adequate protection payments with respect to the Weberstown Term Loan Facility Claims that are then accrued and unpaid and (y) any accrued and unpaid prepetition default rate interest (and postpetition interest, if any) on the Weberstown Term Loan Facility Claims that is not added to the principal balance of the New Term Loan Exit Facility. As adequate protection (pursuant to the DIP Orders), each holder of an Allowed Weberstown Term Loan Facility Claim shall receive Cash payments in an amount equal to interest (whether accruing pre- or post-petition) and other amounts owing under the applicable loan documents, in the ordinary course and on the payment dates provided for in the Weberstown Term Loan Agreement; *provided* that two percent per annum of prepetition (and, if applicable, postpetition) default interest shall not be paid as adequate protection and shall be paid or capitalized on the Plan Effective Date in accordance with the preceding paragraph. **If the Company effectuates the Toggle Restructuring,** on the Plan Effective Date, each holder of an Allowed Weberstown Term Loan Facility Claim shall receive, on account of the Allowed Amount of its Weberstown Term Loan Facility Claim, payment in full in Cash, including any accrued but unpaid interest (including postpetition interest at the default base rate as set forth in the Weberstown Term Loan Agreement for the entire postpetition period).

Treatment of Unsecured Notes Claims	**If the Company effectuates the Equitization Restructuring**, each holder of an Allowed Unsecured Notes Claim shall receive its Pro Rata share of: (a) All New Common Equity not distributed to holders of Allowed Existing Equity Interests electing to receive New Common Equity, subject to dilution by the Equity Rights Offering, the Backstop Equity Premium, and the MIP; and (b) 100% of the Unsecured Notes Rights. **If the Company effectuates the Toggle Restructuring,** on the Plan Effective Date, each holder of an Allowed Unsecured Notes Claim shall receive on account of the Allowed Amount of its Unsecured Notes Claim, including any accrued but unpaid interest (including postpetition interest at the default contract rate, if applicable), payment in full in Cash.
Treatment of General Unsecured Claims	Each holder of an Allowed General Unsecured Claim[14] shall be, at the option of the applicable Debtor or Reorganized Debtor, (a) Reinstated or (b) paid in full in Cash.
Property Level Debt and Guarantee Claims	To the extent that a debtor in the Chapter 11 Cases is a borrower or guarantor on property-level debt, such property-level debt and guarantee claims shall be reinstated, unimpaired, or receive treatment reasonably acceptable to the Plan Sponsor. The Company may enter into forbearance agreements, and/or refinancings and extensions, and/or replacement guaranty agreements with property-level mortgage lenders and O'Connor Mall Partners, L.P. and its relevant affiliates ("O'Connor") and the landlord to the extent required under its master or ground leases, in each case, on terms reasonably acceptable to the Plan Sponsor, and shall use commercially reasonable efforts to, and cause its relevant subsidiaries to, obtain any consents from, and enter into amendments with, property-level mortgage lenders, O'Connor, and such ground lessors, as are necessary to implement the Restructuring in a tax-efficient manner.
Treatment of Existing Preferred Equity Interests	**If the Company effectuates the Equitization Restructuring**: (i) **if the Class of Existing Preferred Equity Interests votes in favor of the Plan**, Holders of Allowed Existing Preferred Equity Interests shall receive their Pro Rata share of the Preferred Equity Cash Pool;[15] *provided* that eligible Holders of Allowed Existing Preferred Equity Interests may elect to receive

[14] "**General Unsecured Claim**" means any Claim that is not (a) secured by a lien on collateral to the extent of the value of such collateral, as determined in accordance with section 506(a) of the Bankruptcy Code or (b) subject to a valid right of setoff pursuant to section 553 of the Bankruptcy Code (an "Unsecured Claim") against a Debtor other than the Unsecured Notes Claims.

[15] "**Preferred Equity Cash Pool**" means the maximum aggregate amount of Cash to be distributed to holders of Allowed Existing Preferred Equity Interests who do not affirmatively elect to participate in the Preferred Equity Option, which amount shall be $40,000,000; *provided* that if the Class of Existing Common Equity Holders votes to accept the Plan, the amount shall be $20,000,000.

	their Pro Rata share of the Preferred Equity Equity Pool,[16] subject to dilution by the MIP, in lieu of their Pro Rata share of the Preferred Equity Cash Pool (the "Preferred Equity Option"); or (ii) **if the Class of Existing Preferred Equity Interests votes to reject the Plan,** Holders of Existing Preferred Equity Interests shall not receive any distribution on account of such Interests, which will be canceled, released, and extinguished as of the Effective Date, and will be of no further force or effect. For the avoidance of doubt, elections of the Preferred Equity Option shall reduce the Preferred Equity Cash Pool, on a ratable basis, based on the Pro Rata percentage of Existing Preferred Equity Interests electing Preferred Equity Option. New Common Equity distributed pursuant to the Preferred Equity Option shall not be subject to dilution by the Equity Rights Offering and the Backstop Equity Premium to the extent that the Equity Rights Offering Amount is less than or equal to $260 million; *provided, however*, if the Equity Rights Offering Amount exceeds $260 million, any New Common Equity issued in the Equity Rights Offering and on account of the Backstop Equity Premium for the portion in excess of $260 million shall dilute the New Common Equity issued on account of Existing Equity Interests and Unsecured Notes Claims on a ratable basis. Each Holder of Allowed Existing Preferred Equity Interests that elects the Preferred Equity Option shall be required to hold its New Common Equity through DTC. As a condition to receive New Common Equity, each such Holder of Allowed Existing Preferred Equity Interests shall be required to provide the Company with instructions as to DTC delivery, including the name and DTC participant number of its custodian for the shares of New Common Equity and its account name and number of the custodian. **If the Company effectuates the Toggle Restructuring:** (i) if the Class of Existing Preferred Equity Interests and the Class of Existing Common Equity Interests both vote in favor of the Plan, on the Plan Effective Date, each Holder of an Allowed Existing Preferred Equity Interest shall receive its Pro Rata share of 50% of the Existing Equity Interests Toggle Recovery;[17] *provided* that no Allowed Existing Preferred Equity

[16] "**Preferred Equity Equity Pool**" means 6.125% of New Common Equity (subject to dilution by the MIP and any Equity Rights Offering Amounts in excess of $260 million); *provided* that if the Class of Existing Common Equity votes in favor of the Plan, the Preferred Equity Equity Pool shall be reduced to 3.0625% of New Common Equity (subject to dilution by the MIP and any Equity Rights Offering Amounts in excess of $260 million).

[17] "**Existing Equity Interests Toggle Recovery**" means the distribution in Cash or non-Cash Consideration available to holders of Existing Equity Interests, after payment in full in Cash of the Backstop Base Premium,

	Interest may recover an amount greater than its Liquidation Preference;[18] (ii) if the Class of Existing Preferred Equity Interests votes in favor of the Plan, and the Class of Existing Common Equity votes to reject the Plan, each Holder of an Allowed Existing Preferred Equity Interest shall receive its Pro Rata share of 100% of the Existing Equity Interests Toggle Recovery; *provided* that no Allowed Existing Preferred Equity Interest may recover an amount greater than its Liquidation Preference; (iii) if the Class of Existing Preferred Equity Interests votes to reject the Plan, such Holder's Pro Rata share of the Toggle Restructuring Equity Waterfall Distribution.[19]
Treatment of Existing Common Equity Interests	**If the Company effectuates the Equitization Restructuring:** (i) **if Holders of Existing Preferred Equity Interests and Existing Common Equity Interests, each as a Class, vote in favor of the Plan,** Holders of Allowed Existing Common Equity Interests shall receive their Pro Rata share of $20 million in Cash (the "Common Equity Cash Pool"); *provided* that eligible Holders of Allowed Existing Common Equity Interests may elect to receive their Pro Rata share of the Common Equity Equity Pool,[20] subject to dilution by the MIP, in lieu of their Pro Rata share of the Common Equity Cash Pool (the "Common Equity Option"); (ii) **if either the Class of Existing Preferred Equity Interests or the Class of Existing Common Equity Interests votes to reject the Plan,** Holders of Existing Common Equity Interests shall not receive any distribution on account of such Interests, which will be canceled, released, and extinguished as of the Effective Date, and will be of no further force or effect.

and all Claims (other than General Unsecured Claims, which may be reinstated), together with postpetition interest at the default contract rate on certain Claims, where applicable.

[18] "**Liquidation Preference**" means with respect to an Existing Preferred Equity Interest, the applicable liquidation preference contained in the instrument or other agreement pursuant to which such Interest was issued.

[19] "**Toggle Restructuring Equity Waterfall Distribution**" means the priority distribution of the Existing Equity Interests Toggle Recovery, which shall be allocated and paid to Holders of Interests, until paid in full, unless such Interests are reinstated pursuant to the Plan, and then in the following priority (and in each case, on a Pro Rata basis): (a) *first*, on account of the Liquidation Preference of Allowed Existing Preferred Equity Interests; *provided* that no Allowed Existing Preferred Equity Interest may recover an amount greater than its Liquidation Preference; and (b) *second*, on account of Allowed Existing Common Equity Interests.

[20] "**Common Equity Equity Pool**" means 3.0625% of New Common Equity (subject to dilution by the MIP and any Equity Rights Offering Amounts in excess of $260 million).

	For the avoidance of doubt, elections of the Common Equity Option shall reduce the Common Equity Cash Pool, on a ratable basis, based on the Pro Rata percentage of Existing Common Equity Interests electing the Common Equity Option. New Common Equity distributed pursuant to the Common Equity Option shall not be subject to dilution by the Equity Rights Offering and the Backstop Equity Premium to the extent that the Equity Rights Offering Amount is less than or equal to $260 million; *provided, however*, if the Equity Rights Offering Amount exceeds $260 million, any New Common Equity issued in the Equity Rights Offering and on account of the Backstop Equity Premium for the portion in excess of $260 million shall dilute the New Common Equity issued on account of Existing Equity Interests and Unsecured Notes Claims on a ratable basis. Each Holder of Allowed Existing Common Equity Interests that elects the Common Equity Option shall be required to hold its New Common Equity through DTC. As a condition to receive New Common Equity, each such Holder of Allowed Existing Common Equity Interests shall be required to provide the Company with instructions as to DTC delivery, including the name and DTC participant number of its custodian for the shares of New Common Equity and its account name and number of the custodian. **If the Company effectuates the Toggle Restructuring,** (i) **if Holders of Existing Preferred Equity Interests and Existing Common Equity Interests, each as a Class, vote in favor of the Plan,** Holders of Allowed Existing Common Equity Interests shall receive their Pro Rata share of 50% of the Existing Equity Interests Toggle Recovery; (ii) **if either the Class of Existing Preferred Equity Interests or the Class of Existing Common Equity Interests votes to reject the Plan,** such Holder's Pro Rata share of the Toggle Restructuring Equity Waterfall Distribution.
Intercompany Claims	On the Plan Effective Date, each holder of an Allowed Intercompany Claim[21] shall have its Claim rendered unimpaired in accordance with section 1124 of the Bankruptcy Code ("Reinstated") or cancelled, released, and extinguished without any distribution at the Debtors' election with the consent of the Plan Sponsor (in its reasonable discretion).
Intercompany Interests	On the Plan Effective Date, each holder of an Allowed Intercompany Interest[22] shall have its Claim Reinstated or cancelled, released, and extinguished and without any distribution at the Debtors' election with

[21] "**Intercompany Claim**" means a Claim held by a Debtor against a Debtor or an affiliate of a Debtor.

[22] "**Intercompany Interest**" means an Interest in a Debtor held by a Debtor or an affiliate of a Debtor.

	the reasonable consent of the Plan Sponsor, and the reasonable consent of the *Ad Hoc* Lender Group with respect to any cancellations, releases, and extinguishments (x) of Intercompany Interests in any Debtor that will be a borrower or guarantor under the New Term Loan Exit Facility or (y) that are materially adverse to the *Ad Hoc* Lender Group in their capacities as creditors and/or lenders under the New Term Loan Exit Facility.
OTHER TERMS OF THE RESTRUCTURING	
Organizational and Governance Matters	Corporate governance for Reorganized WPG, including charters, bylaws, operating agreements or other organizational documents, as applicable, shall be consistent with a New Governance Term Sheet containing terms to be acceptable to the Plan Sponsor. Reorganized WPG shall not be subject to any reporting requirements promulgated by the United States Securities and Exchange Commission (the "SEC").
Board of Reorganized Company	The initial board of directors of Reorganized WPG (the "New Board") shall be selected by the Plan Sponsor and shall include the chief executive officer of Reorganized WPG.
Management Incentive Plan and Employment Obligations	The New Board shall be authorized to implement a management incentive plan (the "MIP") that provides for the issuance of options and/or other equity-based compensation to the management and directors of Reorganized WPG. 8% of the New Common Equity, on a fully diluted basis, shall be reserved for issuance in connection with the MIP. The participants in the MIP, the allocations and form of the options and other equity-based compensation to such participants (including the amount of allocations and the timing of the grant of the options and other equity-based compensation), and the terms and conditions of such options and other equity-based compensation (including vesting, exercise prices, base values, hurdles, forfeiture, repurchase rights and transferability) shall be determined by the New Board. Any New Common Equity issued pursuant to the MIP shall dilute equally the shares of New Common Equity otherwise distributed pursuant to this Plan (including, without limitation, pursuant to or in connection with the Equity Rights Offering). Reorganized WPG shall assume all 5 publicly filed management employment agreements pursuant to the Plan and employ the named executives party thereto in their current positions upon emergence; *provided* that (1) consummation of the Plan shall constitute a "Change in Control" under each employment agreement, (2) "Good Reason" (or a term of like import) thereunder will not be triggered solely as a result of (a) the issuance or acquisition of equity or (b) the cancellation/treatment of equity and/or equity-based compensation pursuant to the consummated Plan, and (3) the severance multiple shall be increased from 2X to 3X of base salary plus target bonus (the other severance terms shall remain unchanged); *provided, further*, that the cancellation/treatment of equity and/or equity-based compensation pursuant to the consummated Plan shall constitute "Good Reason" if the

	New Board does not allocate 50% of the total equity compensation that could be issued under the MIP within 90 days of the Plan Effective Date. For the avoidance of doubt, it is further agreed that (i) any incentive or retention payments under the employment agreements for the 2021 calendar were superseded by the 2021 executive compensation programs, (ii) any incentive or retention payments under the employment agreements for periods after the 2021 calendar year are not superseded by the 2021 executive compensation programs, and (iii) each executive's target bonus for purposes of the severance calculation (but not the pro rata target bonus for 2021) in the employment agreements is unaffected by the 2021 executive compensation programs.
Executory Contracts and Unexpired Leases	The Plan will provide that executory contracts and unexpired leases will be deemed assumed or rejected pursuant to section 365 of the Bankruptcy Code in a manner reasonably acceptable to the Plan Sponsor. The Company and the Consenting Stakeholders will work together in good faith to determine which executory contracts and unexpired leases shall be assumed, assumed and assigned, or rejected in the Chapter 11 Cases.
Tax Matters	The Company and the Plan Sponsor shall cooperate in good faith to structure the Restructuring Transactions in a tax efficient manner reasonably acceptable to each such party; *provided* that the *Ad Hoc* Lender Group shall have consent rights (such consent not to be unreasonably withheld, conditioned, or delayed) solely to the extent material to the lenders under the New Term Loan Exit Facility.
Exemption from SEC Registration	The issuance of securities under the Plan will be exempt from SEC registration pursuant to (a) Section 1145 of the Bankruptcy Code to the fullest extent, if any, permitted thereby, or (b) Section 4(a)(2) of the Securities Act and/or Regulation D thereunder.
Retained Causes of Action	The Reorganized Debtors, as applicable, shall retain all rights to commence and pursue any Causes of Action, other than any Causes of Action that the Debtors have released pursuant to the release and exculpation provisions outlined in this Restructuring Term Sheet and implemented pursuant to the Plan.
Releases and Exculpation	The Plan will include customary mutual releases in favor of the (a) each of the Debtors; (b) each of the Reorganized Debtors; (c) each of the Company Parties; (d) each of the Consenting Stakeholders; (e) the 2015 Lenders; (f) the 2018 Lenders; (g) the Weberstown Lenders; (h) the Unsecured Noteholders; (i) the *Ad Hoc* Lender Group, and each member thereof; (j) the Plan Sponsor; (k) the DIP Lenders; (l) the DIP Agent; (m) the Exit Lenders (n) the Agents/Trustees; (o) each Backstop Party; (p) each Equity Rights Offering Participant; (q) each Holder of a Claim; (r) each Holder of an Interest; (s) all holders of Impaired Claims or Interests who voted to accept the Plan; (t) all holders of Impaired Claims

	or Interests who abstained from voting on the Plan or voted to reject the Plan but did not timely opt out of or object to the applicable release provided by the Plan; (u) all holders of Unimpaired Claims who did not timely opt out of or object to the applicable release; (v) each current and former Affiliate of each Entity in clause (a) through the following clause (w); and (w) each Related Party of each Entity in clause (a) through this clause (w); *provided* that an Entity shall not be a Releasing Party if, in the cases of clauses (q) through (w) and each current and former Affiliates thereof, if such Entity: (1) elects to opt out of the releases contained in the Plan; or (2) timely files with the Bankruptcy Court on the docket of the Chapter 11 Cases an objection to the releases contained in the Plan that is not resolved before Confirmation. (collectively, the "Released Parties").
Retention of Jurisdiction	The Plan will provide that the Bankruptcy Court shall retain jurisdiction for usual and customary matters.
Conditions Precedent to the Plan Effective Date	The occurrence of the Plan Effective Date shall be subject to the satisfaction of certain conditions precedent customary in transactions of the type described herein (the "Conditions Precedent"), including, without limitation, the following: • All Definitive Documents for the Restructuring shall have been executed and remain in full force and effect, which Definitive Documents shall satisfy the consents set forth in the RSA. • All requisite filings with governmental authorities and third parties shall have become effective, and all such governmental authorities and third parties shall have approved or consented to the Restructuring, to the extent required. • The order of the Bankruptcy Court confirming the Plan under section 1129 of the Bankruptcy Code (the "Confirmation Order") shall have become a final and non-appealable order, which shall not have been stayed, reversed, vacated, amended, supplemented or otherwise modified, unless waived by the Plan Sponsor. • The Backstop Approval Order shall have been entered by the Bankruptcy Court, which shall not have been stayed, reversed, vacated, amended, supplemented or otherwise modified, unless waived by the Plan Sponsor. • The RSA shall remain in full force and effect. • All Restructuring Expenses invoiced more than two (2) Business Days before expected Emergence shall have been paid in full. • All requisite consents and amendments by property-level mortgage lenders, O'Connor, and landlords that are necessary to accommodate a tax-efficient post-emergence corporate structure (as reasonably determined by the Plan Sponsor) shall have been obtained; *provided,*

	however, the Company and its subsidiaries shall only be obligated to use commercially reasonable efforts to obtain such consents.
Cancellation of Notes, Instruments, Certificates, and Other Documents	On the Plan Effective Date, except to the extent otherwise provided in this Term Sheet or the Plan, all notes, instruments, certificates, and other documents evidencing claims or interests, including credit agreements and indentures, shall be canceled, and the Company's obligations thereunder or in any way related thereto shall be deemed satisfied in full and discharged.
Other Customary Plan Provisions	The Plan will provide for other standard and customary provisions consistent with this Term Sheet and the RSA, including in respect of the cancellation of existing claims and interests, the vesting of assets in the Reorganized Debtors, the compromise and settlement of claims, and the resolution of disputed claims.

Annex A

Company Parties

Washington Prime Group Inc.	Melbourne Square, LLC
Washington Prime Group, L.P.	MFC Beavercreek, LLC
Bloomingdale Court, LLC	Morgantown Mall LLC
Bowie Mall Company, LLC	MSA/PSI Altamonte Limited Partnership
Boynton Beach Mall, LLC	MSA/PSI Ocala Limited Partnership
C.C. Altamonte Joint Venture	Northwoods Ravine, LLC
C.C. Ocala Joint Venture	Northwoods Shopping Center, LLC
C.C. Westland Joint Venture	Orange Park Mall, LLC
Chautauqua Mall, LLC	Paddock Mall, LLC
Chesapeake Center, LLC	Plaza at Buckland Hills, LLC
Chesapeake Theater, LLC	Plaza at Countryside, LLC
Clay Terrace Partners, LLC	Plaza at Northwood, LLC
Coral Springs Joint Venture	Plaza at Tippecanoe, LLC
CT Partners, LLC	Richardson Square, LLC
Dare Center, LLC	Rockaway Town Court, LLC
Dayton Mall III LLC	Rockaway Town Plaza, LLC
Downeast LLC	Rolling Oaks Mall, LLC
Edison Mall, LLC	Royal Eagle Plaza LLC
Empire East, LLC	Royal Eagle Plaza II LLC
Fairfax Court Center LLC	Shops at Northeast Mall, LLC
Fairfield Town Center, LLC	Simon MV, LLC
Fairfield Village, LLC	SM Mesa Mall, LLC
Gaitway Plaza, LLC	Southern Hills Mall LLC
Greenwood Plus Center, LLC	Southern Park Mall, LLC
Jefferson Valley Center LLC	St. Charles Towne Plaza, LLC
Keystone Shoppes, LLC	Sunland Park Mall, LLC
KI-Henderson Square Associates, L.P.	The Outlet Collection LLC
KI-Henderson Square Associates, LLC	Town Center at Aurora II LLC
KI-Whitemak Associates, LLC	University Park Mall CC, LLC
Lakeview Plaza (Orland), LLC	University Town Plaza, LLC
Lima Center, LLC	Village Park Plaza, LLC
Lincoln Crossing, LLC	Villages at MacGregor, LLC
Lindale Mall, LLC	Washington Plaza, LLC
Mall at Cottonwood II LLC	Washington Prime Management Associates, LLC

Mall at Great Lakes, LLC	Washington Prime Property Limited Partnership
Mall at Irving, LLC	West Town Corners, LLC
Mall at Jefferson Valley, LLC	Westshore Plaza II LLC
Mall at Lake Plaza, LLC	Whitemak Associates
Mall at Lima, LLC	WPG Management Associates, Inc.
Mall at Longview, LLC	WPG Northtown Venture LLC
Maplewood Mall, LLC	WPG Rockaway Commons, LLC
Markland Fee Owner LLC	WPG Westshore, LLC
Markland Mall, LLC	WPG Wolf Ranch, LLC
Markland Plaza, LLC	WTM Stockton, LLC
Martinsville Plaza, LLC	

Annex B

List of Property-Level Mortgage Borrowers[23]

119 Leawood, LLC	Muncie Mall, LLC
AHC Washtenaw, LLC	North Ridge Shopping Center, LLC
Arboretum Mall LLC	OKC Curve Triangle LLC
ATC Glimcher, LLC	OKC-NHP, LLC
BRE/Pearlridge LLC	Palms Crossing Town Center, LLC and Arbor Walk Mall, LLC
Canyon View Marketplace, LLC	Pearlridge Uptown II LLC
Charlottesville Fashion Square, LLC and Charlottesville Lease Tract, LLC	PFP Columbus II, LLC
Forest Plaza, LLC, Lakeline Plaza, LLC, Muncie Plaza, LLC, White Oaks Plaza, LLC, and Lakeline Village LLC	SDQ Fee, LLC
Gateway Square LLC	SDQ III Fee, LLC and SDQ III Retail, LLC
Grand Central Parkersburg LLC	Southgate Mall Montana II, LLC
Johnson City Mall LLC	Town Center at Aurora, LLC
Leawood TCP, LLC	Waterford Lakes Town Center LLC
Marketplace at Concord Mills, LLC	Westminster Mall, LLC
MOG Crossing, LLC	

[23] Borrowers listed together represent multiple borrower entities on one Property-Level Mortgage.

EXHIBIT C

DIP Credit Agreement

[*See* Ex. C to Motion to Approve DIP Financing [Docket No. 23-3]]

EXHIBIT D

New Term Loan Exit Facility Term Sheet

WASHINGTON PRIME GROUP. L.P.
EXIT TERM LOAN FACILITY

This term sheet (this "**Exit Term Loan Facility Term Sheet**") describes the principal terms of the senior secured exit term loan facility to be entered into in connection with the restructuring of Washington Prime Group, L.P. (the "**Company**") and certain of its subsidiaries. This Exit Term Loan Facility Term Sheet does not address all terms, conditions or other provisions that would be required in connection with the Exit Term Loan Facility or that will be set forth in the Exit Term Loan Documents (as defined below), which are subject to agreement in accordance with the Restructuring Support Agreement referred to below. The Exit Term Loan Documents will not contain any terms or conditions that are inconsistent with this Exit Term Loan Facility Term Sheet.

Capitalized terms used and not defined in this Exit Term Loan Facility Term Sheet shall have their respective meanings as defined in the Restructuring Support Agreement to which this Exit Term Loan Facility Term Sheet is attached (the "**Restructuring Support Agreement**") and Exhibit B attached to the Restructuring Support Agreement (the "**Restructuring Term Sheet**").

SUMMARY OF PRINCIPAL TERMS	
Co-Borrowers	Certain subsidiaries of the Company to be identified (any such subsidiaries that maintain REIT (as defined herein) status, the "**REIT Co-Borrowers**" and collectively, the "**Borrowers**").
Guarantors	An intermediate holding company to be identified and (i) the subsidiaries that guarantee the Revolving and Term Loan Credit Agreements and/or that have borrowed under or guaranteed the Weberstown Term Loan Agreement (each as defined the Restructuring Term Sheet) and (ii) future domestic wholly owned subsidiaries that are Material Subsidiaries (as defined in the Revolving and Term Loan Credit Agreements) (it being understood that subsidiaries that have issued equity interests in respect of directors' qualifying shares or to foreign nationals to the extent required by applicable law or custom shall be treated as wholly-owned subsidiaries), subject to exceptions consistent with the Exit Term Loan Documentation Principles.
Administrative Agent and Collateral Agent	GLAS USA LLC and GLAS AMERICAS LLC, as administrative agent and collateral agent (in such capacities, the "**Exit Term Loan Agent**").
Exit Term Loan Lenders	The holders of Allowed Revolving and Term Loan Facilities Claims and the Allowed Weberstown Term Loan Facility Claims (in each case, as defined the Restructuring Term Sheet), in each case in a manner consistent with the Restructuring Term Sheet (together with their permitted assignees, the "**Exit Term Loan Lenders**").
Amount & Type of Exit Term Loan Facility	A senior secured term loan facility (the "**Exit Term Loan Facility**") in an aggregate principal amount of up to $1.212 billion, plus, at the election of Plan Sponsor, accrued but unpaid prepetition default interest up to an equivalent of two percent per annum under the Revolving and Term Loan Credit Agreements and the Weberstown Term Loan Agreement as of the Exit Date (the "**Exit Term Loans**").

<table>
<tr><td></td><td>Once repaid, Exit Term Loans may not be reborrowed.</td></tr>
<tr><td>Maturity Date</td><td>The Exit Term Loan Facility will mature on the date that is 4 years following the Closing Date (the "<u>Exit Term Loan Maturity Date</u>").</td></tr>
<tr><td>Interest Rate</td><td>The Borrowers may elect that the Exit Term Loans comprising each borrowing bear interest at a rate per annum equal to (a) ABR (which shall not be less than 1.75% per annum) plus the Applicable Margin (as defined below) or (b) LIBOR, which shall not be less than 0.75% per annum, plus the Applicable Margin.

"<u>Applicable Margin</u>" shall mean the applicable percentage in the following table:

<table>
<tr><th>Period</th><th>ABR loans</th><th>Eurodollar loans</th></tr>
<tr><td>Prior to the six-month anniversary of the Closing Date</td><td>4.00%</td><td>5.00%</td></tr>
<tr><td>From the six-month anniversary through the 15-month anniversary of the Closing Date</td><td>5.00%</td><td>6.00%</td></tr>
<tr><td>Thereafter</td><td>6.50%</td><td>7.50%</td></tr>
</table>

Interest on the Exit Term Loans shall be payable on the last day of each interest period (or every three months for any interest period exceeding three months), in cash.</td></tr>
<tr><td>Default Interest</td><td>Upon the occurrence and during the continuation of (a) a payment or bankruptcy event of default or (b) at the election of the Required Exit Term Loan Lenders or the Exit Term Loan Agent (acting at the direction of the Required Exit Term Loan Lenders), upon 3 business days' notice to the Borrowers, any other event of default, unless otherwise waived by the Required Exit Term Loan Lenders, all obligations will bear interest at (i) in the case of principal and interest, a rate equal to 2.00% per annum, <u>plus</u> the rate otherwise applicable to the relevant Exit Term Loans and (ii) in the case of all other amounts, a rate equal to 2.00% per annum <u>plus</u> the rate applicable to Exit Term Loans that are ABR loans.</td></tr>
<tr><td>Amortization</td><td>Annual amortization (payable in equal quarterly installments beginning at the end of the first full quarter after the Closing Date) of the Exit Term Loan Facility shall be required in an aggregate annual amount equal to 1.00% per annum of the original principal amount of the Exit Term Loan Facility. The remaining aggregate principal amount of the Exit Term Loan Facility shall be payable in full on the Exit Term Loan Maturity Date.</td></tr>
</table>

Incremental Facilities	The Borrowers will be permitted to incur separate classes of additional term loans or increases in existing term loans (an "**Incremental Term Loan Facility**") in an aggregate principal amount not to exceed at any time (a) $50.0 million, minus (b) the principal amount of any outstanding commitments under the Revolving Credit Facility Basket (as defined below). The incurrence of any Incremental Term Loan Facility or Revolving Credit Facility (as defined below) shall be subject to usual and customary terms and conditions, including a "most favored nation" provision (the "**MFN Provision**") pursuant to which, if the all-in yield (including original issue discount or upfront fees on a customary basis) of any Incremental Term Loan Facility or Revolving Credit Facility, as applicable, exceeds the all-in yield of the initial Exit Term Loan Facility by more than 50 bps, the interest rate of the initial Exit Term Loan Facility shall be automatically increased by a percentage that would cause such all-in yield differential not to exceed 50 bps. No Exit Term Loan Lender will have an obligation to provide any Incremental Term Loan Facility or Revolving Credit Facility.
Agent Fees	To be set forth in a separate fee letter agreement between the Exit Term Loan Agent and the Borrowers.
ECF Sweep	At the time of the delivery of its audited annual financial statements for any fiscal year, the Borrowers shall offer to apply 50% of any Excess Cash Flow (to be defined in a manner to be agreed consistent with the Exit Term Loan Documentation Principles, but, in any event, not to include an add back for net cash proceeds from dispositions and to be reduced by REIT Distributions) for such fiscal year to prepay the Exit Term Loans at par; *provided* that such percentage shall be reduced to 25% subject to (x) the Loan-to-Value Ratio (as defined below) not exceeding 50.0% and (y) the outstanding aggregate principal amount of the Exit Term Loan Facility being less than $925 million. With respect to 2021, sweep shall only apply to Q4-21 excess cash flow and only if Effective Date has occurred on or prior to 9/30/21.
Mandatory Prepayments	The following amounts shall be offered to be applied to prepay the Exit Term Loans (in the case of (b) below, at par, and in the cases of clauses (a) and (c) below, subject to the Prepayment Premium (as defined below)) (each a "**Prepayment Event**"): (a) 100% of the net cash proceeds of any issuance of any indebtedness (other than the issuance of indebtedness permitted under the Exit Term Loan Documents). (b) 100% of the net cash proceeds (i) of any sales or other dispositions of any Borrowing Base Property (as defined below) and (ii) of any sales or other dispositions of any other property (including as a result of any casualty or condemnation, any sale-leaseback transaction (without duplication of clause (c) below), sales or other dispositions of any property subject to mortgage indebtedness with third parties (calculated after giving effect to the repayment in full of such mortgage indebtedness), and dispositions of the Held For Sale Properties referred to below), except for sales of inventory in the ordinary course of business and other customary exceptions to be mutually agreed (including for "de minimis" sales generating net cash proceeds of less than $500,000), subject to the following reinvestment rights:

	• In the case of open-air properties, (i) if a similar open-air property is identified as an exchange property under Section 1031 of the Internal Revenue Code at the time of the disposition, 100% of the net cash proceeds of such disposition may be reinvested to comply with Section 1031 of the Internal Revenue Code to complete such exchange within 180 days of receipt thereof, (ii) if no property is identified as an exchange property under Section 1031 of the Internal Revenue Code at the time of the disposition, 75% of the net cash proceeds of such disposition shall be offered to prepay the Exit Term Loans at par and 25% of such net cash proceeds may be reinvested in open-air properties of a similar or higher quality within 12 months of receipt thereof and (iii) with respect to outparcel sales, net cash proceeds may be reinvested in open-air properties of a similar or higher quality and/or capital expenditures with respect to open-air properties (including maintenance capital expenditures) useful in the business of the Company and its subsidiaries in an aggregate amount not to exceed $25 million; and • In the case of enclosed properties, 100% of the net cash proceeds of any disposition may be reinvested within 12 months of receipt thereof, either in (i) enclosed or open-air properties of a similar or higher quality or (ii) capital expenditures (including maintenance capital expenditures) useful in the business of the Company and its subsidiaries. (c) 100% of the net cash proceeds of any Non-Recourse Mortgage Refinancing Indebtedness. Net cash proceeds of any Prepayment Event shall be calculated in a manner to be mutually agreed. "**REIT**" means a real estate investment trust within the meaning of Section 856 of the Code. Any Exit Term Loan Lender may elect not to accept any mandatory prepayment (including pursuant to the ECF Sweep), but in the case of a Prepayment Event described in clause (a) above, solely to the extent not representing a refinancing of all of the Exit Term Loans. Any such rejected amount shall be re-offered to non-declining Exit Term Loan Lenders and, if any amount is rejected after such re-offering, may be retained by the Company and used in a manner not otherwise prohibited.
Voluntary Prepayments	The Borrowers may voluntarily repay the loans under the Exit Term Loan Facility, subject to a prepayment premium (the "**Prepayment Premium**") of: (a) 2.00% of the principal amount of loans under the Exit Term Loan Facility so prepaid, if the payment occurs on or prior to the date that is 12 months after the Closing Date; (b) 2.00% to 4.00% (based on daily linear interpolation) of the principal amount of loans under the Exit Term Loan Facility so prepaid, if the payment occurs

	after the date that is 12 months after the Closing Date and on or prior to the date that is 18 months after the Closing Date; (c) 5.00% of the principal amount of loans under the Exit Term Loan Facility so prepaid, if the payment occurs after the date that is 18 months after the Closing Date and on or prior to the date that is 30 months after the Closing Date; (d) 2.00% of the principal amount of loans under the Exit Term Loan Facility so prepaid, if the payment occurs after the date that is 30 months after the Closing Date and on or prior to the date that is 36 months after the Closing Date; and (e) Thereafter, 0.00% (other than breakage costs).
Exit Term Loan Facility Documentation	The Exit Term Loan Facility will be evidenced by (a) a credit agreement (the "**Exit Term Loan Credit Agreement**") which shall be negotiated in good faith and in form and substance based on that certain Amended and Restated First Lien Credit Agreement, dated as of December 10, 2020, by and among Preit Associates, L.P., Preit-Rubin, Inc., Pennsylvania Real Estate Investment Trust and the financial institutions from time to time party thereto and Wells Fargo Bank, National Association, as administrative agent, giving due regard to the Revolving and Term Loan Credit Agreements (with such modifications as are necessary to reflect the terms set forth in this Exit Term Loan Facility Term Sheet and to reflect (i) the operational and strategic requirements of the Company and its Subsidiaries and their tax structure, (ii) administrative agency and operational matters of the Exit Term Loan Agent, (iii) EU and UK bail-in provisions, (iv) LIBOR replacement provisions, (v) Delaware limited liability company division provisions, (vi) beneficial ownership certification, (vii) QFC stay rules, and (viii) other modifications as may be reasonably agreed among the Exit Term Loan Agent, the Exit Term Loan Lenders and the Company, the "**Exit Term Loan Documentation Principles**"), (b) mortgage. pledge and security documents (which, in the case of mortgages, shall be in form and substance based on the existing mortgages pursuant to the Revolving and Term Loan Credit Agreements, with modifications to be reasonably agreed, and shall be in recordable form for the applicable jurisdiction) and (c) other legal documentation (collectively, the documents described in this clause (c), together with the Exit Term Loan Credit Agreement described in clause (a) above and mortgage, pledge and security documents described in clause (b) above, the "**Exit Term Loan Documents**"), which Exit Term Loan Documents shall each be in form and substance consistent with the Exit Term Loan Documentation Principles and shall each be otherwise reasonably satisfactory to the Plan Sponsor, the *Ad Hoc* Lender Group and the Company.
Collateral	The obligations of the Borrowers and the Guarantors (collectively, the "**Loan Parties**") with respect to the Exit Term Loan Facility (including the guarantee obligations of the Guarantors) (the "**Exit Term Loan Obligations**") shall be secured by a first-priority perfected security interest (subject to permitted liens and exceptions to be mutually agreed and consistent with the Exit Term Loan Documentation Principles) in all Collateral owned as of the Closing Date or thereafter acquired. "**Collateral**" shall mean substantially all assets of the Borrowers and Guarantors,

	including all "Collateral" (as defined in the 2018 Credit Agreement), all Borrowing Base Properties (solely for purposes of this sentence, as defined in 2018 Credit Agreement), any other real estate owned by the Borrowers or any Guarantor, the Mall (as defined in the Weberstown Term Loan Agreement) and any equity or other interests in joint ventures and mortgaged-property subsidiaries; *provided* that "Collateral" shall exclude (in addition to other customary exclusions to be reasonably agreed), (a) certain property held for sale that is subject to a binding purchase agreement on the Closing Date (the "**Held for Sale Property**"), for so long as such purchase agreement shall remain in effect, (b) real estate and certain related assets (excluding equity interests of the mortgagor to the extent pledge thereof is not prohibited by the terms of the applicable financing or joint venture documents, subject to the Collateral Substitution Undertaking in the event pledge of such equity interests is so prohibited) that are subject to a lien pursuant to mortgage indebtedness in effect as of the Effective Date or permitted to be incurred thereafter pursuant to the Exit Term Loan Documents (including, without limitation, Non-Recourse Mortgage Refinancing Indebtedness (as defined below)), (c) (i) minority equity interests, (ii) equity interests in non-wholly owned subsidiaries, special purpose entities or joint ventures (including the 51% interest in each of WPG-OC JV, L.P., WPG-OC JV II, L.P., WPG-OC JV III, L.P., WPG-OC JV IV, L.P., WPG-OC JV V, L.P., WPG-OC JV VI, L.P., and WPG-OC JV VII, L.P., provided such 51% interest is held directly or indirectly by one or more Guarantors in accordance with the Collateral Substitution Undertaking (without giving effect to the commercially reasonable efforts standard therein) and (iii) direct or indirect equity interests of any subsidiary that is a mortgagor pursuant to an existing mortgage, in each case if and to the extent a pledge thereof would be prohibited by the applicable organizational documents, contractual arrangements or mortgage loan document in effect on the Effective Date or permitted to be incurred thereafter (including, without limitation, in connection with permitted mortgage indebtedness), it being understood that the Company shall undertake (the "**Collateral Substitution Undertaking**") commercially reasonable efforts to provide for an alternative structure that provides the Exit Term Loan Lenders commercial benefit that is reasonably similar to a pledge of such equity interests (including without limitation the transfer of such equity interests to (or retention in) a new (or existing) special purpose entity that would be subject to customary holding company limitations to be reasonably agreed, guarantee the Exit Term Loans and, if applicable, debt incurred under the Revolving Credit Facility Basket, but otherwise not be permitted to incur indebtedness), (d) certain immaterial assets to be agreed in a manner consistent with the Exit Term Loan Documentation Principles, (e) certain leasehold interests existing on the Closing Date and related assets to be agreed in a manner consistent with the Exit Term Loan Documentation Principles, (including any such interests or assets to the extent pledge thereof is prohibited by the terms of the applicable lease document, so long as such prohibition was not created in contemplation of such pledge), (f) deposit accounts, securities accounts, and commodities accounts, other than the principal concentration accounts of the REIT Co-Borrowers and (g) any lease, license or other agreement or any property subject to a purchase money security interest, capital lease obligation or similar arrangement to the extent that a grant of a security interest therein would violate or invalidate such lease, license or agreement or purchase money, capital lease or similar arrangement or create a right of termination in favor of any other party thereto after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code

	(collectively, the "**Excluded Assets**").
Representations and Warranties	Customary and appropriate for facilities of this type consistent with the Exit Term Loan Documentation Principles (with qualifications and limitations for materiality consistent with the Exit Term Loan Documentation Principles and otherwise to be mutually agreed).
Affirmative Covenants	Customary and appropriate affirmative covenants for exit facilities of this type consistent with the Exit Term Loan Documentation Principles (with exceptions and basket amounts to be consistent with the Exit Term Loan Documentation Principles and otherwise to be mutually agreed), and limited to: - information and reporting requirements, including quarterly lender calls and including delivery of audited annual financials and quarterly financials for the first three quarters of each fiscal year, in each case to be delivered within a time period to be agreed; - certificates and other information; - notices of defaults, material litigation, certain ERISA events, environmental events, labor matters, asset sales, acquisitions, tenant bankruptcy and certain other notices consistent with the Revolving and Term Loan Credit Agreements; - preservation of existence and qualification to do business; - environmental matters; - payment of taxes and claims; - maintenance of properties; - maintenance of insurance; - maintenance of existence of ratings; - compliance with laws, including ERISA and environmental laws; - books and records; - inspection rights; - appraisals (right to demand one time at Company expense if Exit Term Loans are outstanding 12 months after the Closing Date); - additional collateral and additional guarantors; - ownership of projects, minority holdings and property (consistent with the Revolving and Term Loan Credit Agreements); - COVID-19 programs (consistent with the Revolving and Term Loan Credit Agreements); - further assurances and post-closing conditions; and - flood hazard properties.
Negative Covenants	Customary and appropriate negative covenants for exit facilities of this type consistent with the Exit Term Loan Documentation Principles (with exceptions and basket amounts to be consistent with the Exit Term Loan Documentation Principles and otherwise to be mutually agreed), and limited to limitations on:

	- indebtedness, with carve outs for, among other things, (a) a revolving credit facility (a "**Revolving Credit Facility**") which may be secured by the Collateral on an equal priority basis with the Exit Term Loan Obligations, in an amount not to exceed at any time (i) $50.0 million, minus (ii) the initial principal amount of any Incremental Term Loan Facility (as defined above) (the "**Revolving Credit Facility Basket**") on intercreditor terms to be agreed and subject to the MFN Provision, (b)(i) non-recourse mortgage indebtedness and (ii) attributable debt incurred in connection with any sale-leaseback permitted under the asset sale covenant, in each case incurred to refinance indebtedness secured by the Collateral (including the Exit Term Loans) (collectively, "**Non-Recourse Mortgage Refinancing Indebtedness**"), subject to (A) the absence of an event of default at the time of incurrence thereof, (B) a pledge of the residual equity value of the mortgage borrowers, subject to the Collateral Substitution Undertaking in the event pledge of such equity interests is prohibited by the terms of the Non-Recourse Mortgage Refinancing Indebtedness, (C) 100% of the net cash proceeds of such Non-Recourse Mortgage Refinancing Indebtedness shall be used to prepay the Exit Term Loans (subject to the Prepayment Premium), (D) pro forma compliance with a ratio of aggregate Net Operating Income (to be defined in a manner consistent with the Exit Term Loan Documentation Principles and the Company's presentation (for the avoidance of doubt, including netting payments on capitalized ground leases of Borrowing Base Properties) of the Borrowing Base Properties to the then outstanding amount of indebtedness secured by liens on Borrowing Base Properties (including the Exit Term Loans, debt under any Incremental Term Loan Facility and indebtedness outstanding incurred under the Revolving Credit Facility Basket, if applicable) of no less than 15.0%, (E) after giving pro forma effect to the incurrence of such indebtedness, the Loan-to-Value Ratio shall not be greater than the Loan-to-Value Ratio as of the Closing Date and (F) a maximum principal amount of $250.0 million for all Non-Recourse Mortgage Refinancing Indebtedness in the aggregate (including an aggregate sublimit of $100.0 million for any Non-Recourse Mortgage Refinancing Indebtedness with respect to open-air properties) (the "**Non-Recourse Mortgage Refinancing Indebtedness Cap**"), (c) capital leases and purchase money indebtedness in an amount not to exceed an amount to be mutually agreed (excluding sale and leaseback transactions with respect to existing properties), (d) acquisition indebtedness in an amount not to exceed an amount to be mutually agreed, (e) applicable refinancing indebtedness (including refinancing of mortgage indebtedness) and replacement mortgages in respect of non-Borrowing Base Properties purchased with reinvested net cash proceeds from permitted asset sales with respect to non-Borrowing Base Properties, and (f) unsecured indebtedness incurred as refinancing indebtedness in

	respect of the Exit Term Loans (and/or Incremental Term Loan Facility or any Revolving Credit Facility indebtedness); - restricted payments, with carve outs for, among other things, (a) restricted payments as required to maintain REIT status of any REIT Co-Borrower subject to terms to be agreed (the "**REIT Distributions**") and (b) subject to the Loan-to-Value Ratio not exceeding 65.0% on a pro forma basis, additional restricted payments in an amount equal to (i) $25 million, plus (ii) the portion of any Excess Cash Flow not required to be offered to prepay the Exit Term Loans; - dispositions of property or assets, with carve outs for, among other things, any disposition (including sale-leasebacks) subject to (a) receipt of fair market value, (b) at least 75% of the consideration consisting of cash or cash equivalents, and (c) a requirement to offer to apply any net cash proceeds to repay the Exit Term Loans to the extent required by the mandatory prepayment provisions (subject to the reinvestment rights described above); *provided* that any sale and leaseback transactions involving real property shall include any structures and improvements located on such real property; - liens; - investments, with carve outs for, among other things, (a) investments in subsidiaries and (b) investment in joint ventures in an amount not to exceed an amount to be mutually agreed; *provided* that no person that is or becomes a subsidiary of the Company or any of the Company's subsidiaries shall be classified or designated as an unrestricted subsidiary; - fundamental changes; - change in business; - transactions with affiliates (which shall require independent director approval and fairness opinions above certain thresholds to be agreed); - margin regulations and sanctions; - ERISA; - amendments to organizational documents; - negative pledges and limitations on dividends, subject to customary exceptions consistent with the Exit Term Loan Documentation Principles; and - changes to fiscal year.
Financial Covenants	As of the last day of each fiscal quarter, beginning with the later of (i) the fiscal quarter ending March 31, 2022 and (ii) the first full fiscal quarter commencing after the Closing Date: (a) the ratio of the aggregate Net Operating Income of the Borrowing Base Properties to Combined Debt Service (to consist of (x) interest payments and (y) amortization payments with respect to Exit Term Loans and indebtedness under the Incremental Term Loan Facility and Revolving Credit Facility Basket, with annualization concepts to be agreed for the first three fiscal quarters following the Closing Date) shall, for the four fiscal-quarter period ending on such day, be no less than (i) 2.00 to 1.00

	or (ii) 1.75 to 1.00 for each fiscal quarter with respect to which the Borrowers pay to the Exit Term Loan Lenders a fee equal to 0.15% of the outstanding Exit Term Loan Loans within 15 days after the date financial statements are required to be delivered for an applicable fiscal quarter (the "**Debt Service Coverage Ratio Covenant**"); and (b) the Loan-to-Value Ratio shall not exceed 77.5% (with a step-down to 72.5% in the first fiscal quarter of 2024). "**Loan-to-Value Ratio**" means the aggregate principal amount of indebtedness (including both the Exit Term Loans, any loans under an Incremental Term Loan Facility and indebtedness incurred under the Revolving Credit Facility Basket, if applicable) secured by liens on the fee-owned and leased real properties that constitute Collateral for the Exit Term Loans (the "**Borrowing Base Properties**"), divided by the sum of, for each such Borrowing Base Property, the quotient of (i) the Net Operating Income of such Borrowing Base Property, and (ii) (x) in the case of enclosed properties, 17.0% and (y) in the case of open-air properties, 8.5%; provided, at the election of the Required Term Loan Lenders prior to the Closing Date, either the capitalization rate with respect to open-air properties shall be reduced to 8.0% or the capitalization rate with respect to enclosed properties shall be reduced to 16.0% (for the avoidance of doubt, one or the other *must* be elected). Any cash equity contribution made to the Company on or prior to the day that is 15 days after the date financial statements are required to be delivered for an applicable fiscal quarter (but not earlier than the last day of such fiscal quarter) shall, at the request of the Company, be included in the calculation of the aggregate Net Operating Income of the Borrowing Base Properties, solely for purposes of determining compliance with the Debt Service Coverage Ratio Covenant at the end of such fiscal quarter and each subsequent period which includes such fiscal quarter (any such contribution, a "**Specified Equity Contribution**"), subject solely to the following terms and conditions: (a) in each four consecutive fiscal quarter period, there shall be at least two fiscal quarters in respect of which no Specified Equity Contribution is made, (b) no Specified Equity Contribution may be made in two consecutive quarters, (c) there shall be no more than five Specified Equity Contributions in the aggregate during the term of the Exit Term Loan Facility, (d) the amount of any Specified Equity Contribution shall be no greater than the minimum amount required to cause the Company to be in pro forma compliance with the Debt Service Coverage Ratio Covenant, (e) there shall be no pro forma reduction in indebtedness (by netting or otherwise) with the proceeds of any Specified Equity Contribution; *provided* that, for the avoidance of doubt, if such proceeds are actually applied to prepay or repay indebtedness, such reduction shall be reflected with respect to subsequent fiscal quarters, and (f) the amount of any Specified Equity Contribution shall not be included in the calculation of Net Operating Income for purposes of calculating the Loan-to-Value Ratio.
Events of Default	Customary and appropriate for facilities of this type (with materiality thresholds, exceptions and grace periods consistent with the Exit Term Loan Documentation Principles and otherwise mutually agreed, including a customary cross-default provision set at $37.5 million. Events related to non-recourse mortgage indebtedness will not trigger a cross-default, except to the extent that any event has occurred which would permit the enforcement of a limited guarantee of the Company or any of its subsidiaries of a principal amount of such debt in excess of

	$37.5 million.
Conditions Precedent to Closing	The closing of the Exit Term Loan Facility will be subject to satisfaction or waiver of the following: (a) all of the representations and warranties in the Exit Term Loan Documents shall be true and correct in all material respects (or if qualified by materiality or material adverse effect, in all respects) as of the Closing Date, or if such representation speaks as of an earlier date, as of such earlier date; (b) no default or event of default under the Exit Term Loan Facility shall have occurred and be continuing; (c) delivery of a customary borrowing notice; and (d) the satisfaction of the conditions listed on Annex I hereto. "**Closing Date**" shall mean the date on which all conditions listed in this paragraph and in Annex I shall have been satisfied and the Exit Term Loan Facility shall have been funded (or be deemed to have been funded) in full.
Voting/Required Exit Term Loan Lenders	Customary and appropriate for facilities of this type consistent with Exit Term Loan Documentation Principles, provided that "sacred right" votes shall in any event include claim and/or lien subordination. Lenders holding more than 50% of the outstanding principal amount of the Exit Term Loans, subject to the follow paragraph, are referred to herein as the "**Required Exit Term Loan Lenders**." For purposes of determining whether the Required Exit Term Loan Lenders have consented to any amendment, consent or waiver, Exit Term Loans held by affiliated Exit Term Loan Lenders in excess of 15% of the total outstanding principal amount of the Exit Term Loans of all Lenders shall be excluded, as if they were not outstanding. Further, all Exit Term Loans held by affiliated Exit Term Loan Lenders shall be excluded in determining whether Required Exit Term Loan Lenders have consented to (i) any waivers of matured events of default or default interest, (ii) any waivers or amendments to the restricted payments or transactions with affiliates covenants, (iii) any waivers or amendments with respect to the Financial Covenants, (iv) any waivers or amendments which would permit the creation, classification or designation of unrestricted subsidiaries or (v) any waivers or amendments of the mandatory prepayment provisions. Notwithstanding anything herein to the contrary, no affiliated Exit Term Loan Lender shall, together with its affiliates, own or hold, directly or indirectly (including by way of participation), Exit Term Loans (and, if applicable, loans under any Incremental Term Loan Facility) with an aggregate principal amount in excess of 35.0% of the principal amount of all Exit Term Loans (and, if applicable, loans under any Incremental Term Loan Facility) then outstanding.

Fees and Expenses & Indemnification	Customary and appropriate for facilities of this type consistent with Exit Term Loan Documentation Principles, including without limitation payment of the reasonable and document, and/or contracted, fees and expenses of legal and financial advisors to the *Ad Hoc* Lender Group.
Assignments and Participations	Customary and appropriate for facilities of this type consistent with the Exit Term Loan Documentation Principles (including prohibition on assignments to disqualified lenders); *provided* that (a) the definition of "Eligible Assignees" shall require total assets of $2.5 billion for commercial banks and $250.0 million for finance companies or other institutions (and shall otherwise be as defined in the Revolving and Term Loan Credit Agreements), (b) the consent of the Borrowers (not to be unreasonably withheld or delayed) shall be required for assignments other than (i) assignments to another Exit Term Loan Lender, an affiliate of an Exit Term Loan Lender or an approved fund or (ii) during the pendency of an event of default, and (c) the Borrower may purchase Exit Term Loans through open market purchases offered on a pro rata basis, so long as such purchased Exit Term Loans are cancelled and extinguished (but may not purchase Exit Term Loans held by affiliates of the Borrower pursuant to such offer unless it simultaneously purchases not less than an equal amount of Exit Term Loans from non-affiliates) and shall be prohibited from conducting Dutch auctions and/or fixed pot tenters.
Other Provisions	The Exit Term Loan Documentation Principles shall include customary provisions regarding increased costs, illegality, tax indemnities, waiver of trial by jury and other similar provisions.
Governing Law	The laws of the State of New York.
Counsel to Exit Term Loan Agent	Mayer Brown LLP.

Annex I

ADDITIONAL CONDITIONS TO CLOSING

The borrowing (or deemed borrowing) under the Exit Term Loan Facility shall be subject to the following additional conditions precedent:

1. A final non-appealable order of the Bankruptcy Court confirming the Plan consistent with the Restructuring Support Agreement in form reasonably satisfactory to the Plan Sponsor and the *Ad Hoc* Lender Group (the "**Confirmation Order**"), which shall not have been reversed, vacated, amended, supplemented or otherwise modified and authorizing the Loan Parties to execute, deliver and perform under all documents contemplated under the Exit Term Loan Documents shall have been entered and shall have become a final order of the Bankruptcy Court.

2. The Plan Effective Date shall have occurred or shall occur substantially simultaneously with the borrowing or deemed borrowing under the Exit Term Loan Facility in a manner consistent with the Restructuring Support Agreement.

3. The Equity Rights Offering shall have been consummated or shall be consummated substantially simultaneously with the borrowing or deemed borrowing under the Exit Term Loan Facility in a manner consistent with the Restructuring Support Agreement.

4. (i) The execution and delivery by each of the parties thereto of the Exit Term Loan Documents (it being understood and agreed that this condition shall be satisfied in the case of the Exit Term Loan Credit Agreement if executed by the Loan Parties and the Exit Term Loan Agent)), (ii) delivery of customary legal opinions, customary evidence of authorization, customary officer's certificates and good standing certificates (to the extent applicable) in the jurisdiction of organization of each Loan Party, (iii) delivery of a solvency certificate executed by the chief financial officer or other officer of equivalent duties, (iv) accuracy of representations and non-existence of default, and (v) delivery of all documents and instruments required to create and perfect the Exit Term Loan Agent's security interests in the Collateral under the Exit Term Loan Facility which shall be, if applicable, in proper form for filing (it being understood and agreed that (A) mortgages or amended mortgages with respect to properties constituting collateral under the Existing Debt Agreements (as defined in the Restructuring Term Sheet) may be provided within 90 days after the Closing Date (or such longer period, up to 120 days, as may be agreed by the Exit Term Loan Agent) and (B) mortgages for all other properties may be provided within 180 days after the Closing Date (or such longer period, up to 240 days, as may be agreed by the Exit Term Loan Agent)).

5. The Exit Term Loan Agent shall have received, at least three (3) business days prior to the Closing Date, all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the PATRIOT Act and, to the extent the Company qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, a Beneficial Ownership Certification in relation to the Company, that has been requested in writing by the Exit Term Loan Lenders at least five (5) business days prior to the Closing Date.

6. All fees required to be paid to the Exit Term Loan Agent and the Exit Term Loan Lenders on the Closing Date and reasonable and documented out-of-pocket expenses (including legal expenses) required to be paid to or for the benefit of the Exit Term Loan Agent and the Exit Term Loan Lenders on the Closing Date, to the extent invoiced at least two (2) business days prior to the Closing Date, shall, upon the initial borrowing (or deemed borrowing) of the Exit Term Loan Facility, have been paid.

EXHIBIT E

Backstop Commitment Agreement

[*See* Ex. B to Motion to Approve Backstop Commitment Agreement [Docket No. 105-2]]

EXHIBIT G

Form of Joinder

The undersigned ("**Joinder Party**") hereby acknowledges that it has read and understands the Restructuring Support Agreement, dated as of June 11, 2021 (the "**Agreement**"),[1] by and among Washington Prime Group Inc. and its affiliates and subsidiaries bound thereto and the Consenting Stakeholders and agrees to be bound by the terms and conditions thereof to the extent the other Parties are thereby bound, and shall be deemed a "Consenting Stakeholder" under the terms of the Agreement.

The Joinder Party specifically agrees to be bound by the terms and conditions of the Agreement and makes all representations and warranties contained therein as of the date hereof and any further date specified in the Agreement.

Date Executed:

_____

Name:
Title:

Address:

E-mail address(es):

Aggregate Principal Amounts Beneficially Owned or Managed on Account of:	
2015 Credit Facility	
2018 Credit Facility	
Unsecured Notes	
Weberstown Term Loan Facility	

[1] Capitalized terms not used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.

EXHIBIT H

Provision for Transfer Agreement

The undersigned ("**Transferee**") hereby acknowledges that it has read and understands the Restructuring Support Agreement, dated as of June 11, 2021 (the "**Agreement**"),[2] by and among Washington Prime Group Inc. and its affiliates and subsidiaries bound thereto and the Consenting Stakeholders, including the transferor to the Transferee of any Company Claims/Interests (each such transferor, a "**Transferor**"), and agrees to be bound by the terms and conditions thereof to the extent the Transferor was thereby bound, and shall be deemed a "**Consenting Stakeholder**" under the terms of the Agreement.

The Transferee specifically agrees to be bound by the terms and conditions of the Agreement and makes all representations and warranties contained therein as of the date of the Transfer, including the agreement to be bound by the vote of the Transferor if such vote was cast before the effectiveness of the Transfer discussed herein.

Date Executed:

_____

Name:
Title:
Address:
E-mail address(es):

Aggregate Principal Amounts Beneficially Owned or Managed on Account of:	
2015 Credit Facility	
2018 Credit Facility	
Unsecured Notes	
Weberstown Term Loan Facility	

[2] Capitalized terms used but not otherwise defined herein shall having the meaning ascribed to such terms in the Agreement.

EXHIBIT I

DIP Interim Order

[*See* DIP Interim Order [Docket No. 77]]

EXHIBIT D

Liquidation Analysis

[Forthcoming]

EXHIBIT E

Financial Projections

FINANCIAL PROJECTIONS

In connection with the Disclosure Statement,[1] the Debtors, with the assistance of their advisors, prepared financial projections (the "**Financial Projections**") for Washington Prime Group Inc., et al., and its debtor affiliates (each, a "**Debtor**" and, collectively, the "**Debtors**") for the fiscal years 2021 through 2025 (the "**Projection Period**") for the purpose of demonstrating the feasibility of the Plan. The Financial Projections are based upon a number of assumptions made by the Debtors and their advisors with respect to the future performance of the Debtors' operations. **Although the Debtors have prepared the Financial Projections in good faith and believe the assumptions to be reasonable, there can be no assurance that such assumptions and results will be realized. As described in detail in the Disclosure Statement, a variety of risk factors could affect the Debtors' financial results and must be considered. Accordingly, the Financial Projections should be reviewed in conjunction with the risk factors set forth in the Disclosure Statement and the assumptions described herein, including all relevant qualifications and footnotes.**

The Financial Projections are based upon the internal view of the Debtors' management of the projected financial performance conducted before the filing of these Financial Projections and may differ methodologically from historical public reporting by the Debtors (*e.g.*, the Financial Projections herein are not in accordance with GAAP accounting). The Debtors believe that the Plan meets the feasibility requirements set forth in section 1129(a)(11) of the Bankruptcy Code, as confirmation is not likely to be followed by liquidation or the need for further financial reorganization of the Debtors or any successor under the Plan. In connection with the planning and development of the Plan and for the purposes of determining whether the Plan would satisfy this feasibility standard, the Debtors analyzed their ability to satisfy their financial obligations while maintaining sufficient liquidity and capital resources.

THESE FINANCIAL PROJECTIONS WERE NOT PREPARED WITH A VIEW TOWARD COMPLIANCE WITH PUBLISHED GUIDELINES OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR GUIDELINES ESTABLISHED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS FOR PREPARATION AND PRESENTATION OF PROSPECTIVE FINANCIAL INFORMATION. AN INDEPENDENT AUDITOR HAS NOT EXAMINED, COMPILED, OR PERFORMED ANY PROCEDURES WITH RESPECT TO THE PROSPECTIVE FINANCIALINFORMATION CONTAINED IN THIS EXHIBIT AND, ACCORDINGLY, IT DOES NOT EXPRESS AN OPINION OR ANYOTHER FORM OF ASSURANCE ON SUCH INFORMATION OR ITS ACHIEVABILITY. THE DEBTORS' INDEPENDENTAUDITOR ASSUMES NO RESPONSIBILITY FOR, AND DENIES ANY ASSOCIATION WITH, THE PROSPECTIVE FINANCIAL INFORMATION.

Principal Assumptions for the Financial Projections

The Financial Projections reflect numerous assumptions with respect to the anticipated future performance of the Debtors, industry performance, general business and economic conditions, and other matters, many of which are beyond the control of the Debtors or their advisors. The assumptions do not contemplate the uncertainty and disruption of business due to the restructuring.

[1] Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the DisclosureStatement to which this is an exhibit or the Restructuring Support Agreement, as applicable.

Although the Financial Projections are presented with numerical specificity, the actual results achieved during the Projection Period may materially vary from the projected results. Accordingly, no definitive representation can be or is being made with respect to the accuracy of the Financial Projections or the ability of the Debtors to achieve the projected results of operations. *See* "Risk Factors" in Article X of the Disclosure Statement. For holders of Claims that are entitled to vote to accept or reject the Plan, such holders must make their own determinations as to the reasonableness of such assumptions and the reliability of the Financial Projections. *See* "Risk Factors" in Article X of the Disclosure Statement. Moreover, the Financial Projections were prepared solely in connection with the Restructuring pursuant to the Restructuring Support Agreement and Plan.

In connection with the planning and development of the Plan, and for the purposes of determining whether such Plan would satisfy this feasibility standard, the Debtors analyzed their ability to satisfy their financial obligations while maintaining sufficient liquidity and capital resources. Under Accounting Standards Codification "ASC" 852, "Reorganizations", the Debtors note that the Financial Projections reflect the operational emergence from these Chapter 11 Cases but do not reflect the full impact of "fresh start accounting" that will likely be required upon emergence. Fresh start accounting requires all assets, liabilities, and equity instruments to be determined at "fair value." While the Debtors may be required to implement fresh start accounting upon emergence, they have not yet completed the work required to quantify the impact to the Financial Projections. If the Debtors fully implement fresh start accounting, material differences may exist in the Financial Projections.

In addition to valuing assets, liabilities, and equity instruments at fair value, the Debtors will have tax professionals analyze any go forward tax implications as a result of the transactions contemplated by the Restructuring. The Financial Projections account for the Restructuring and related transactions pursuant to the Plan, including the minimum REIT distributions. However, they do not account for the final tax analysis that will be done upon emergence, which may materially impact the Debtors' Financial Projections.

Safe Harbor under the Private Securities Litigation Reform Act of 1995

The Financial Projections contain statements that constitute "forward-looking statements"within the meaning of the Securities Act and the Securities Exchange Act. Forward-looking statements in the Financial Projections include the intent, belief, or current expectations of the Debtors with respect to the timing of, completion of, and scope of the current restructuring, Plan, debt and equity market conditions, and the Debtors' future liquidity, as well as the assumptions upon which such statements are based.

While the Debtors believe that the expectations are based upon reasonable assumptions within the bounds of their knowledge of their business and operations, parties in interest are cautioned that any such forward-looking statements are not guarantees of future performance, and involve risks and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements.

Select Risk Factors Related to the Financial Projections

The Financial Projections are subject to inherent risks and uncertainties, most of which are difficult to predict and many of which are beyond the Debtors' control. Many factors could cause actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. A description of the risk factors associated with the Plan, the Disclosure Statement, and the Financial Projections is included in Article X of the Disclosure Statement.

Financial Projections General Assumptions

1. The Financial Projections were prepared based on the Company's ownership in investment properties and other assets. The Debtors' projections also include Net Operating Income ("**NOI**") that flow to the Debtors from their non-Debtor subsidiaries that are either wholly owned by the Debtors or owned in a joint venture with third parties. Further, these projections reflect planned property transitions of noncore properties and planned asset dispositions. The following projections reflect the Debtors' share of NOI and do not reflect ownership that would be attributable to any joint venture partners. While the Debtors may be required to implement fresh start accounting upon emergence, they have not yet completed the work required to quantify the impact of such accounting to the Financial Projections. Therefore, adjustments to the balance sheet for fresh start accounting are preliminary and are subject to ongoing analysis.

2. **Plan Terms and Consummation.** The Financial Projections assume the Restructuring will be consummated as of the Effective Date, which is assumed to occur no later than August 27, 2021 under the Equitization Restructuring. The Financial Projections contained herein assume a Restructuring under the Equitization Restructuring contemplated in the Restructuring Support Agreement.

3. **Capital Structure.** The Financial Projections assume a reorganized capital structure pursuant to the Plan and Restructuring Support Agreement. Changes to the capital structure include the following:
   - Assumes an aggregate principal amount of New Term Loan Exit Facility at Emergence of $1,212 million, reflective of the partial paydown of the 2018 Credit Facility Claims, 2015 Credit Facility Claims, and Weberstown Term Loan Facility, and cash payment of all accrued and unpaid interest for the applicable claims. Go forward annual debt service for the New Term Loan Exit Facility per the Plan and Restructuring Supporting Agreement. Projected Take Back Debt balance and debt service does not contemplate any potential prepayments from excess cash flow sweeps and/or asset sale dispositions;
   - Full Equitization of the Unsecured Notes pursuant to the Plan and Restructuring Support Agreement;
   - The Company's existing equity holders will receive a recovery under the Plan and Restructuring Support Agreement;
   - Emergence Cash reflects projected pro-rata book cash as of September 30, 2021 after completing the Equitization Restructuring, excluding cash at noncore properties the Debtors intend to transition to respective mortgage lender.

Assumptions

1. **Net Operating Income ("NOI")**: NOI is defined as property operating revenues (i.e., rental revenues and other income) less property operating expenses (i.e., property operating, real estate taxes, maintenance, and repairs). NOI has been bifurcated by property type and ownership structure. The following reflects the Debtors' forecast for NOI: Q4 2021: $101 million; 2022: $385 million; 2023: $380 million; 2024: $390 million; 2025: $399 million, with year-over-year NOI growth rate assumptions reflected below.

	Year-over-Year NOI Growth Assumptions			
	2022	2023	2024	2025
Enclosed	5.9%	4.3%	2.6%	1.7%
Noncore	n.m.	n.m.	n.m.	n.m.
Open-Air	3.0%	3.0%	3.0%	3.0%
O'Connor JV	7.5%	5.0%	3.0%	2.0%

2. **General & Administrative Expenses ("G&A")**: General and administrative expenses are the costs required to maintain the Company's daily operations. These costs include, but are not limited to: executive wages and benefits, corporate lease commitments, overhead costs, office supplies and various other expenses. The Debtors have excluded depreciation & amortization from the Financial Projections, as they have not yet completed the final analysis of fresh start accounting.This will be completed by the Debtors upon emergence.

3. **Capital Expenditures**
   - Projections for capital expenditures were prepared with considerations of the Debtors' revenue and expected requirements to maintain asset values going forward. Capital Expenditures are used for maintaining the Debtors' property, developing and improving current properties and tenant improvement allowances per various current and future leases.
     - **Operating Capital Expenditures** – Represents routine capital expenditures in order to maintain ongoing operations at the properties.
     - **Tenant Allowance & Third-Party Leasing Costs –** Represents agreed upon capital expenditures associated with construction, maintenance and improvement which represents pre-negotiated sums provided to tenants to help cover costs. Further, this includes third-party leasing costs.
     - **Redevelopment** – Includes capital invested for the reposition of former department stores and other big box vacancies to add home furnishings, dining, grocery, entertainment, mixed-use components as well as other dynamic retail offerings at the Company's properties. The adaptive reuse of these former anchor stores represents an opportunity to increase customer traffic, enhance overall leasing and stabilize property cash flows.

4. **All Other:**
   - Represents adjustments, including but not limited to, sales proceeds from asset dispositions, and other adjustments reflecting changes in net working capital, capitalized G&A, and non-cash adjustments to NOI and G&A;

- There could be materially adverse tax consequences on asset dispositions. These Financial Projections do not contemplate potentially considerable tax liabilities as a result of the asset dispositions. These tax consequences could have material impact on the amount of proceeds received or the level of required REIT distributions.

5. Debt Service:

- The Financial Projections reflect the go-forward capital structure in accordance with the terms of the Plan and Restructuring Support Agreement;
- Includes both Property-Level Mortgage principal and interest expense (inclusive of the Debtors' pro-rata share of the joint venture mortgage debt) and Corporate Debt principal and interest expense. Property-Level Mortgage Interests is inclusive of ground lease payments for several mall properties;
- Mortgage Debt reflects the transition of noncore properties to lenders during the projection period, and assumes Property-Level Mortgages are refinanced with the same terms at maturity. Certain properties are assumed to be refinanced with greater principal balances resulting in refinancing proceeds.

6. Dividends/Distributions:

- The Financial Projections assume no tax obligations would be due in 2021 and include the minimum REIT distributions that would take place in years 2022 through 2025;
- These amounts are subject to change pending final tax analysis of the restructuring transaction, and any potential impacts from asset dispositions.

($ in millions)

Washington Prime Group

Forecast	Q4 2021E Fcst	2022E Fcst	2023E Fcst	2024E Fcst	2025E Fcst
Enclosed NOI	$50	$189	$197	$202	$205
Noncore NOI [1]	8	19	–	–	–
Open-Air NOI	30	121	124	128	132
O'Connor JV NOI (Pro Rata Share)	16	64	67	69	70
Corporate Operating Expense & Other	(3)	(7)	(8)	(8)	(9)
Net Operating Income	**$101**	**$385**	**$380**	**$390**	**$399**
(-) General & Administrative	($15)	($53)	($54)	($55)	($57)
EBITDA	**$86**	**$332**	**$326**	**$335**	**$342**
(-) Operating Capital Expenditures	($13)	($36)	($37)	($38)	($39)
(-) Tenant Allowance & Third-Party Leasing Costs	(12)	(36)	(36)	(38)	(39)
(-) Redevelopment	(22)	(70)	(45)	(45)	(45)
Total Capital Expenditures	**($46)**	**($142)**	**($118)**	**($120)**	**($122)**
(+) Dispositions / (Acquisitions)	11	92	15	15	15
(+) Change in Net Working Capital, Noncash Adjustments and Other	7	(2)	(1)	(1)	(0)
All Other	**$18**	**$91**	**$14**	**$14**	**$15**
Unlevered Free Cash Flow	**$59**	**$281**	**$222**	**$229**	**$235**
(-) Mortgage Principal Payment	($6)	($18)	($11)	($11)	($11)
(-) Mortgage Interest Expense	(18)	(65)	(58)	(58)	(57)
(-) Corporate Principal Payments	(3)	(12)	(12)	(12)	(12)
(-) Corporate Interest Payments	(17)	(78)	(100)	(104)	(106)
(+) Net Proceeds from Refinancing	–	20	–	–	–
Levered Free Cash Flow	**$14**	**$128**	**$42**	**$45**	**$48**
(-) Dividends / Distributions	–	($28)	($54)	($61)	($62)
Net Free Cash Flow	**$14**	**$100**	**($12)**	**($16)**	**($14)**
Memo: Indebtedness					
Mortgage Debt	*$1,506*	*$1,214*	*$1,204*	*$1,195*	*$1,184*
Corporate Debt	*1,209*	*1,197*	*1,185*	*1,173*	*1,160*
Total Debt	***$2,715***	***$2,411***	***$2,389***	***$2,367***	***$2,345***
(-) Cash	*(46)*	*(146)*	*(134)*	*(118)*	*(104)*
Net Debt	***$2,668***	***$2,265***	***$2,256***	***$2,249***	***$2,241***
Memo: Borrowing Base NOI					
Enclosed Borrowing Base NOI	*$37*	*$135*	*$141*	*$145*	*$147*
Open Air Borrowing Base NOI	*23*	*94*	*96*	*99*	*102*
Total Borrowing Base NOI	***$60***	***$229***	***$238***	***$244***	***$249***
Memo: Corporate Credit Facility Statistics [2]					
Debt Service Coverage Ratio		*2.5x*	*2.1x*	*2.1x*	*2.1x*
Loan-to-Value (16.0% Enclosed Cap Rate / 8.5% Open-Air Cap Rate) [3]		*61.5%*	*58.8%*	*56.6%*	*54.7%*
Debt Yield		*19.1%*	*20.1%*	*20.8%*	*21.5%*

(1) Noncore properties after mortgage debt service have a de minimis net cash flow impact.
(2) Corporate Credit Facility Statistics are illustratively calculated as defined in the New Term Loan Exit Facility Term Sheet (as defined in the Restructuring Support Agreement), governing certain financial and negative covenants.
(3) Reduction in enclosed property capitalization rate shown for illustrative purposes. Per New Term Loan Exit Facility Term Sheet, Required Term Loan Lenders must elect reduction in either enclosed property capitalization rate or open-air property capitalization rate prior to the Closing Date.