UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re: **ENERGY CONVERSION DEVICES, INC., et al.,**[1] Debtors.	Chapter 11 Case No. 12-43166 (Jointly Administered) Judge Thomas J. Tucker

DECLARATION OF GREGORY G. COPPOLA, SENIOR VICE PRESIDENT – FINANCE AND TREASURY OF ENERGY CONVERSION DEVICES, INC. AND UNITED SOLAR OVONIC LLC IN SUPPORT OF CONFIRMATION OF THE SECOND AMENDED JOINT PLAN OF LIQUIDATION OF ENERGY CONVERSION DEVICES, INC. AND UNITED SOLAR OVONIC LLC AND DISCLOSURE STATEMENT

I, Gregory G. Coppola, being first duly sworn, depose and say:

1. I am the Senior Vice President – Finance and Treasury of Energy Conversion Devices, Inc. ("**ECD**") and United Solar Ovonic LLC ("**USO**"), the debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**"). I am authorized to submit this Declaration on behalf of the Debtors in support of confirmation of the Debtors' *Second Amended Joint Plan of Liquidation of Energy Conversion Devices, Inc. and United Solar Ovonic LLC* [Docket No. 754] (the "**Plan**").

2. I am over 18 years of age and am fully competent to testify to the matters set forth in this Declaration.

3. I am familiar with the Debtors' day-to-day operations, business affairs, contracts and books and records. Subject to oversight by the board of directors of ECD and consultation

[1]The Debtors in these jointly administered cases are Energy Conversion Devices, Inc. (Case No. 12-43166) and United Solar Ovonic LLC (Case No. 12-43167).

with the officers of USO, I am responsible for the day-to-day operational and financial activities for the Debtors. I have been employed by the Debtors since July 2010.

4. I am familiar with the Plan. I have reviewed the Plan, the exhibits to the Plan and am familiar with the facts alleged therein and restructuring proposed thereby.[2] Except as otherwise indicated, I have personal knowledge of the matters set forth herein or have gained knowledge of such matters from the Debtors' employees or retained advisers that report to me in the ordinary course of my responsibilities as an officer of the Debtors and, if called as a witness, would testify thereto.

5. In my opinion, and for the reasons stated below, implementing the Plan will maximize value for all of the Debtors' creditors and allow the Debtors to efficiently liquidate their assets for the benefit of their creditors. In my opinion, any failure to promptly implement the Plan would likely result in a decreased return to the Debtors' estates.

I. The Debtors' Businesses

6. Founded in 1961 in Detroit, Michigan, ECD has been at the forefront of materials science and renewable energy technology for over 50 years. ECD is a Delaware corporation. ECD's and its subsidiaries' achievements in the laboratory are well documented, with ECD and its subsidiaries having been granted over 100 U.S. and international patents in its continuing operations. Beyond lab research, ECD and its subsidiaries have successfully commercialized several technologies, including solar photovoltaics ("**PV**") and nickel-metal-hydride ("**NiMH**") rechargeable batteries. The development work associated with patents owned by one Debtor has been performed, in certain cases, by employees of the other Debtor.

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[2] Capitalized terms used but not defined herein have the meanings given to them in the Plan.

7. ECD operated a business involving the manufacture and sale of lightweight, flexible thin-film PV laminates through its subsidiary, USO, owned directly and indirectly by ECD. USO is a limited liability company organized under the laws of the state of Delaware.

II. The Bankruptcy Cases

8. On February 14, 2012 (the "**Petition Date**"), Energy Conversion Devices, Inc. ("**ECD**") and United Solar Ovonic LLC ("**USO**"), as debtors in the above-captioned cases (collectively, the "**Debtors**") filed voluntary petitions for relief (the "**Chapter 11 Cases**") under chapter 11 of Title 11 of the United States Code. Each of the Debtors continues to operate its business and manage its financial affairs and properties as debtors in possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in either of the Chapter 11 Cases.

III. The Debtors' Liquidation Activities

9. On February 24, 2012, the Debtors filed a motion pursuant to Section 363(b) of the Bankruptcy Code to seek authority to sell the stock or assets that comprise Debtors' solar business unit at auction ("Sale Motion") [Doc. No. 66]. The Bankruptcy Court entered an order approving the auction and related bidding procedures (the "**Bidding Procedures Order**") [Docket No. 168].

10. With the assistance of Quarton Partners, LLC ("**Quarton**"), an investment banker, the Debtors engaged in a sale process. While the Debtors received multiple expressions of interest, only one bid qualified as a Qualified Bid (as defined in the Bankruptcy Court-approved Bidding Procedures Order) and that bid was at an unacceptable value. Accordingly, after consultation with the Unsecured Committee of Creditors (the "**Committee**") and the Ad Hoc Consortium of Noteholders (the "**Ad Hoc Consortium**"), the Debtors cancelled the auction

and proceeded to liquidate substantially all the Debtors' assets at an auction (the "**Asset Auction**"). The Asset Auction was completed July 3, 2012.

11. The Debtors are continuing to liquidate their remaining assets through both private and auction sales.

IV. The Plan

12. Debtors filed the Plan and related Disclosure Statement on May 31, 2012. The Bankruptcy Court granted preliminary approval of the Disclosure Statement on May 31, 2012 and approval of the solicitation materials on June 7, 2012. The Debtors completed service of the solicitation materials on June 12, 2012. The deadline for voting and objecting to the Plan was July 13, 2012.

13. The Plan is a liquidating plan whereby all of the Debtors' assets are transferred to a trust to be liquidated and distributed for the benefit of creditors. The Plan provides for a sub-trust for the benefit of warranty claimants.

14. Importantly, the Plan provides that the assets of ECD and the assets of USO will be pooled to be distributed in aggregate to claimants of both estates. This replication of substantive consolidation is of substantial benefit to creditors of USO.

V. Voting Results

15. Classes 2A, 3 and 4 of ECD, and Classes 3 and 4 of USO have each voted in the requisite two-thirds in dollar amount and more than one-half in number of Claims to accept the Plan.[3]

[3] Administrative Expense Claims, Priority Claims, and United States Trustee Fees are not classified pursuant to section 1123(a)(1) of the Bankruptcy Code and therefore did not vote.

VI. Modifications to the Plan

16. The Plan has been amended to provide for the assumption of certain executory contracts. I am not aware of any cure obligation with respect to such contracts.

17. These modifications to the Plan do not materially or adversely impact any holder of a Claim or Interest or materially or adversely change the way that any holder of a Claim or Interest is treated.

VII. Confirmation of the Plan under Section 1129 of the Bankruptcy Code

18. The Plan complies with all relevant sections of the Bankruptcy Code, Bankruptcy Rules, and applicable non-bankruptcy law, as I understand them. In particular, the Plan fully complies with all of the requirements of Sections 1122, 1123, and 1129 of the Bankruptcy Code.

1. The Plan Complies with Section 1129(a)(1) of the Bankruptcy Code

19. Section 1129(a)(1) of the Bankruptcy Code requires that a plan of reorganization comply with the applicable provisions of the Bankruptcy Code. The determination of whether the Plan complies with section 1129(a)(1) requires an analysis of sections 1122 and 1123 of the Bankruptcy Code, which respectively address classification and plan content issues. As explained below, the Plan complies with sections 1122 and 1123 in all respects.

a. The Plan Satisfies the Classification Requirements of Section 1122 of the Bankruptcy Code

20. Section 1122 requires that claims placed in the same class be substantially similar. The Plan complies with section 1122, as each Class contains substantially similar Claims and each Class of Claims and Interests differs from each other Class in either a legal or factual nature such that classification has not been used for gerrymandering purposes.

21. Here, the Plan separately classifies Claims arising from the Debtors' secured debt in Class 2A (Secured Claims of ECD) and Class 2B (Secured Claims of Wieland-Davco

Corporation). Each secured claim is separately classified because it has different collateral. The Plan also separately classifies two unsecured creditor groups—Class 3 (General Unsecured Claims) and Class 4 (Warranty Claims)—based on the nature of their Claims and expectations of such claimants. The basis for classifying general unsecured claims differently from warranty claims is that warranty claimants can be compelled to accept repair and replacement as a contractual remedy.

22. As such, each Class is composed of substantially similar Claims or Interests and each instance of separate classification of similar Claims was based on valid business, factual, and legal reasons.

b. The Plan Satisfies the Seven Mandatory Plan Requirements of Sections 1123(a)(1) – (a)(7) of the Bankruptcy Code

23. The Plan meets the seven mandatory requirements of section 1123(a). Specifically, sections 1123(a)(1)-(7) require that a plan:

1) designate classes of claims and interests, with certain exceptions;

2) specify unimpaired classes of claims and interests;

3) specify the treatment of impaired classes of claims and interests;

4) provide the same treatment for each claim or interest of a particular class, unless the holder of a particular claim agrees to a less favorable treatment of its particular claim or interest;

5) provide adequate means for the plan's implementation;

6) provide for the prohibition in the charter of issuance of nonvoting equity securities and provide an appropriate distribution of voting power among the classes of securities; and

7) contain only provisions that are consistent with the interests of the creditors and equity security holders and with public policy with respect to the manner of selection of the reorganized company's officers and directors.

i. The Plan Designates Classes of Claims and Interests (Section 1123(a)(1))

24. The Plan satisfies the first requirement of section 1123(a) by designating Classes of Claims and Equity Interests, subject to the exceptions listed under this provision—i.e., Administrative Expense Claims, Priority Tax Claims, and United States Trustee Fees are not classified.

ii. The Plan Specifies Unimpaired Classes of Claims and Interests (Section 1123(a)(2))

25. The Plan satisfies the second requirement of section 1123(a) by specifying the Classes of Claims that are unimpaired under the Plan.

iii. The Plan Specifies the Treatment of Impaired Classes of Claims and Interests (Section 1123(a)(3))

26. The Plan satisfies the third requirement of section 1123(a) by specifying the treatment of each Class of Claims and Equity Interests that are impaired.

iv. The Plan Provides the Same Treatment for Each Claim or Interest in Particular Class (Section 1123(a)(4))

27. The Plan also satisfies section 1123(a)(4)—the fourth requirement of section 1123—because the treatment of each Claim or Equity Interest within a Class is the same as the treatment of each other Claim or Equity Interest in that Class. Each Allowed Class 1 Priority Claim will be paid in full. The Class 2A Claim will be eliminated. The Class 2B Claim will be paid in full. Each Allowed Class 3 Claim is to receive a pro rata share of the Liquidation Trust and the Distributions pursuant to the Plan. Each Allowed Class 4 Claim will receive cash or inventory in an amount not to exceed the Warranty Claimant Percentage Amount. Class 5 will not receive anything.

v. The Plan Provides Adequate Means for Its Implementation (Section 1123(a)(5))

28. Article IV and various other provisions of the Plan provide adequate means for the Plan's implementation, thus satisfying the fifth requirement of section 1123(a). The provisions of Article IV of the Plan relate to, among other things: (a) substantive consolidation of the Estates; (b) preservation of certain of the Debtors' Causes of Action; (c) vesting of all of the Debtors' assets, including certain Causes of Action, in the Liquidation Trust; (d) creation of a Warranty Trust, which is sub-trust of the Liquidation Trust, to satisfy Allowed Warranty Claims; (e) sale of the Debtors' remaining assets by the Liquidation Trustee; and (f) the distribution of cash to the beneficiaries of the Liquidation Trust upon liquidation of the Liquidation Trust's assets.

vi. The Plan Prohibits the Issuance of Nonvoting Equity Securities (Section 1123(a)(6))

29. The sixth requirement of section 1123(a)—i.e., that a plan prohibit the issuance of nonvoting equity securities—is also met. Holders of Claims will receive only cash distributions, inventory, and beneficial interests in the Liquidation Trust.

vii. The Plan's Provisions for Selecting Directors and Officers are Consistent with Stakeholders' Interests and Public Policy (Section 1123(a)(7))

30. Finally, section 1123(a)'s seventh element, which requires that the Plan "contain only provisions that are consistent with the interests of creditors and equity security holders and with public policy with respect to the manner of selection of any officer, director, or trustee under the plan . . . ." does not apply to the Plan because it is a liquidating plan.

c. Discretionary Contents of the Plan

31. Section 1123(b) of the Bankruptcy Code identifies various discretionary provisions that may, but are not required to, be included in a plan of reorganization. The Plan

employs various provisions in accordance with section 1123(b)'s discretionary authority. For example, the Plan proposes treatment for executory contracts and unexpired leases, provides a platform for settlement of Claims, and implements release, exculpation, and injunction provisions.

d. The Release, Exculpation, and Injunction Provisions are Integral Components of the Plan.

32. The Plan includes release, exculpation, and injunction provisions. These discretionary provisions are the product of arm's length negotiations relating to the Plan Support Agreement and were critical to the Plan Support Agreement. Such release, exculpation, and injunction provisions are fair and equitable, are given for valuable consideration, and are in the best interests of the Debtors and their Estates. I am not aware of any valid claim against any officers or directors that is worthy to be pursued. The release, the exculpation, and the injunction provisions are consistent with the Bankruptcy Code and, thus, the requirements of section 1123(b) of the Bankruptcy Code are satisfied.

2. The Debtors have Complied Fully with the Applicable Provisions of the Bankruptcy Code (Section 1129(a)(2))

33. The Debtors have complied with Section 1129(a)(2) of the Bankruptcy Code by distributing their Plan and soliciting acceptances of the Plan as directed under the Bankruptcy Court's *Order Granting Debtors' Motion for Entry of an Order (I) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject the Plan, Including (A) Approving Form of Solicitation Procedures, (B) Approving the Form and Notice of the Confirmation Hearing, (C) Establishing Record Date and Approving Procedures for Distribution of Solicitation Packages, (D) Approving Forms of Ballots, (E) Establishing Deadline for Receipt of Ballots, and (F) Approving Procedures for Vote Tabulations; (II) Establishing Deadline and Procedures for*

Filing Objections to Confirmation of the Plan; and (III) Granting Related Relief [Docket No. 687].

34. In addition, the Disclosure Statement included with the Plan contains adequate information in compliance with Section 1125 of the Bankruptcy Code.

3. The Plan has been Proposed in Good Faith and not by Any Means Forbidding by Law (Section 1129(a)(3))

35. The Debtors have proposed the Plan in good faith, with the legitimate and honest purposes of liquidating the Debtors' assets and maximizing the value of the Debtors and the recovery to creditors.

36. The Plan is the product of several months of negotiations with numerous of the Debtors' constituents, including the Committee and the Ad Hoc Consortium, and reflects certain compromises reached with such parties.

37. Therefore, the Plan will achieve a result consistent with the purposes of the Bankruptcy Code, as I understand them.

4. The Plan Provides for Bankruptcy Court Approval of Certain Administrative Payments (Section 1129(a)(4))

38. All payments made or to be made by the Debtors for services or for costs or expenses in connection with the Chapter 11 Cases, including all Professional Fees, have been approved by, or are subject to the approval of the Bankruptcy Court as reasonable.

5. The Plan Discloses All Information regarding the Post-Emergence Directors and Officers (Section 1129(a)(5))

39. Section 1129(a)(5) does not apply because the Debtors will be dissolved upon the Effective Date.

6. The Plan does not Require Governmental Regulatory Approval (Section 1129(a)(6))

40. The Debtors' business does not involve rate regulation by any government regulatory commission. The Plan does not provide for rate changes by the Debtors subject to the jurisdiction of any governmental regulatory commission and will not require governmental regulatory approval. Therefore, section 1129(a)(6) of the Bankruptcy Code is inapplicable to the Bankruptcy Cases.

7. The Plan is in the Best Interests of Creditors and Interest Holders (Section 1129(a)(7))

41. I have in-depth knowledge of the Debtors' businesses, assets and liabilities and the market within which the Debtors operate their businesses. I was involved in preparing the Liquidation Analysis attached to the Disclosure Statement based on this knowledge.

42. The value of distributions if the Bankruptcy Cases were converted to cases under chapter 7 of the Bankruptcy Code would be less than the value of distributions under the Plan. The proceeds estimated to be received in a chapter 7 liquidation are likely to be discounted due to loss of the Debtors' institutional and market knowledge in the liquidation of the Debtors' assets. The Debtors would incur the additional costs and expenses of a chapter 7 trustee and other professionals, which have not been included in the Liquidation Analysis but would further diminish the distributions to any creditors. Most importantly, in my opinion, if the case were converted to a chapter 7 case, substantial litigation would decrease the distribution available to creditors. I believe proceeds from a hypothetical chapter 7 liquidation would be lower than the recoveries provided for under the Plan.

8. Acceptance of Impaired Class (Section 1129(a)(8))

43. As evidenced in the Ballot Summary and as discussed in Article V above, all Impaired Classes that were entitled to vote voted to accept the Plan. The Debtors have thus satisfied section 1129(a)(8) of the Bankruptcy Code.

9. The Plan Complies with Statutorily Mandated Treatment of Administrative and Priority Tax Claims (Section 1129(a)(9))

44. Section 2.B.1 of the Plan provides for full payment of Allowed Administrative Claims (i) on the Effective Date or as soon as practicable thereafter; (ii) if such Claim is Allowed after the Effective Date, on the date such Claim is Allowed or as soon as practicable thereafter; (iii) at such time and upon such terms as may be agreed upon by such holder and the Debtors; or (iv) at such time and upon such terms as set forth in an order of the Bankruptcy Court. Further, Section 2.B.1 of the Plan provides for full payment of Priority Claims (including priority tax claims) on the Effective Date.

10. At Least One Impaired Class of Claims has Accepted the Plan Excluding the Acceptances of Insiders (Section 1129(a)(10))

45. Section 1129(a)(10) of the Bankruptcy Code is an alternative requirement to section 1129(a)(8)'s requirement. Here, the Debtors need not rely on section 1129(a)(10) to confirm the Plan.

11. The Plan is Feasible (Section 1129(a)(11))

46. Section 1129(a)(11) does not apply because the Debtors will be dissolved upon the liquidating plan.

12. The Plan Provides for the Payment of all Fees Under 28 U.S.C. § 1930 (Section 1129(a)(12))

47. Section 2.B.2 of the Plan provides that the Debtors shall timely pay to the United States Trustee the appropriate sum required pursuant to 28 U.S.C. §1930(a)(6).

13. The Plan Complies with Section 1129(a)(13) of the Bankruptcy Code

48. The Debtors are not obligated to pay any retiree benefits as that term is used in Section 1114 of the Bankruptcy Code.

VIII. Conclusion

49. Accordingly, the Plan fully satisfies all applicable requirements of the Bankruptcy Code.

I swear under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

By: _____

Name: Gregory G. Coppola

Title: Senior Vice President - Finance and Treasury of Energy Conversion Devices, Inc. and United Solar Ovonic LLC

Dated: July 17, 2012

[Signature Page of Gregory G. Coppola for Declaration in Support of the Second Amended Joint Plan of Liquidation of Energy Conversion Devices, Inc. and United Solar Ovonic LLC]