

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

BEDMAR, LLC,

Debtor.¹

)
)
) Chapter 11
)
) Case No. 25-11027 (JKS)
)
)

**DISCLOSURE STATEMENT FOR PREPACKAGED PLAN OF REORGANIZATION
OF BEDMAR, LLC UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

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Proposed Counsel to the Debtor and Debtor in Possession
Dated: June 10, 2025

¹ The Debtor in this chapter 11 case, along with the last four digits of the Debtor's United States federal tax identification number, is Bedmar, LLC (5047). The Debtor's mailing address is 3115 Merryfield Row, San Diego, CA 92121.

THIS IS NOT A SOLICITATION OF ACCEPTANCES OR REJECTIONS OF ANY CHAPTER 11 PLAN DESCRIBED HEREIN. THIS DOCUMENT IS PROVIDED FOR INFORMATION PURPOSES ONLY TO ENABLE HOLDERS OF CLAIMS AND INTERESTS TO DETERMINE WHETHER TO OBJECT TO THE CHAPTER 11 PLAN DESCRIBED HEREIN. THIS DISCLOSURE STATEMENT HAS NOT, AS OF THE DATE HEREOF, BEEN APPROVED BY THE BANKRUPTCY COURT AS CONTAINING “ADEQUATE INFORMATION” WITHIN THE MEANING OF SECTION 1125(A) OF THE BANKRUPTCY CODE. FOLLOWING THE COMMENCEMENT OF THE CHAPTER 11 CASE, THE DEBTOR EXPECTS TO PROMPTLY SEEK AN ORDER OF THE BANKRUPTCY COURT APPROVING THIS DISCLOSURE STATEMENT AS CONTAINING “ADEQUATE INFORMATION” AND CONFIRMING THE PLAN.

IMPORTANT INFORMATION FOR YOU TO READ

This disclosure/information statement (the “**Disclosure Statement**”) contains summaries of certain provisions of the proposed *Prepackaged Plan of Reorganization of Bedmar, LLC under Chapter 11 of the Bankruptcy Code*, dated June 10, 2025 (as may be amended, supplemented, or otherwise modified from time to time, the “**Plan**”)² and certain other documents and financial information. The Debtor is making this Disclosure Statement available to each Holder of Claims against and Interests in the Debtor as a matter of disclosure pursuant to section 1125 of the Bankruptcy Code. **ALL CLASSES OF CLAIMS AND INTERESTS ARE UNIMPAIRED AND, AS A RESULT, THE RIGHT TO RECEIVE PAYMENT IN FULL ON ACCOUNT OF ALLOWED CLAIMS IS NOT ALTERED BY THE PLAN; THEREFORE, ALL CLASSES OF CLAIMS AND INTERESTS ARE DEEMED TO ACCEPT THE PLAN.** Accordingly, the Debtor is not soliciting votes to accept or reject the Plan and is making this Disclosure Statement available solely for informational purposes.

The information included herein should not be relied upon for any purpose other than to determine whether or not to object to the Plan. The Debtor believes that these summaries are fair and accurate. The summaries of the Plan and other documents contained in this Disclosure Statement are qualified in their entirety by reference to the Plan itself, the exhibits thereto that will be included in the Plan Supplement, and documents described therein as filed prior to approval of this Disclosure Statement or subsequently as part of the Plan Supplement. **IN THE EVENT THAT ANY INCONSISTENCY OR CONFLICT EXISTS BETWEEN THIS DISCLOSURE STATEMENT AND THE PLAN, OR BETWEEN THE PLAN SUPPLEMENT AND THE PLAN, THE TERMS OF THE PLAN WILL CONTROL.** Except as otherwise indicated herein or in the Plan, the Debtor will propose to file all Plan Supplement documents with the Bankruptcy Court no later than seven (7) days prior to the deadline to File objections to Confirmation (the “**Plan Objection Deadline**”). The Debtor intends to propose July 16, 2025 at 5:00 p.m. (Prevailing Eastern Time) as the Plan Objection Deadline.

This Disclosure Statement contains, among other things, descriptions and summaries of provisions of the Plan. The Debtor reserves the right to modify the Plan consistent with section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, subject to the terms of the Plan. **THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE ONLY AS OF THE DATE OF THIS DISCLOSURE STATEMENT, AND THERE CAN BE NO ASSURANCE THAT THE STATEMENTS CONTAINED HEREIN WILL BE CORRECT AT ANY TIME AFTER THIS DATE. EXCEPT AS OTHERWISE PROVIDED IN THE PLAN OR IN ACCORDANCE WITH**

² Capitalized terms not otherwise defined in this Disclosure Statement have the meanings ascribed to them in the Plan.

APPLICABLE LAW, THE DEBTOR IS UNDER NO DUTY TO UPDATE OR SUPPLEMENT THIS DISCLOSURE STATEMENT. The information contained in this Disclosure Statement, including the information regarding the history, businesses and operations of the Debtor and the financial information regarding the Debtor, is included to provide a more fulsome description of the Debtor and its current circumstances. This Disclosure Statement will not be admissible in any non-bankruptcy proceeding, nor will it be construed to be conclusive advice on the tax, securities, or other legal effects of the Plan as to Holders of Claims against, or Interests in, either the Debtor or the Reorganized Debtor. Except where specifically noted, the financial information contained in this Disclosure Statement and in its exhibits has not been audited by a certified public accountant and has not been prepared in accordance with generally accepted accounting principles in the United States.

No Holder of a Claim or Interest should rely on any information, representations, or inducements that are not contained in or are inconsistent with the information contained in this Disclosure Statement, the documents attached to this Disclosure Statement, or the Plan. The Disclosure Statement does not constitute legal, business, financial, or tax advice. Any Person or entity desiring any such advice should consult with its own advisors. Counsel to and other advisors retained by the Debtor have relied upon information provided by the Debtor in connection with the preparation of this Disclosure Statement. Although counsel to and other advisors retained by the Debtor have performed certain limited due diligence in connection with the preparation of this Disclosure Statement, they have not independently verified the information contained herein.

Regarding contested matters, adversary proceedings, and other pending, threatened, or potential litigation or other actions, this Disclosure Statement does not constitute, and may not be construed as, either an admission of fact, liability, stipulation, or waiver by the Debtor or any other party, but rather as a statement made in the context of settlement negotiations as part of the Debtor's attempt to settle and resolve claims and controversies pursuant to the Plan in accordance with Rule 408 of the Federal Rules of Evidence and any analogous state or foreign laws or rules.

Except as otherwise expressly set forth herein, all information, representations, or statements contained herein have been provided by the Debtor. No person is authorized by the Debtor in connection with this Disclosure Statement or the Plan to give any information or to make any representation or statement regarding this Disclosure Statement or the Plan other than as contained in this Disclosure Statement and the exhibits attached hereto or as otherwise incorporated herein by reference or referred to herein. If any such information, representation, or statement is given or made, it may not be relied upon as having been authorized by the Debtor.

THE DEBTOR INTENDS TO OPERATE ITS BUSINESS IN THE ORDINARY COURSE. HOLDERS OF ALLOWED CLAIMS, INCLUDING GENERAL UNSECURED CLAIMS, WILL NOT BE IMPAIRED BY THE PLAN.

Consummation of the Plan is subject to certain material conditions precedent described in Article VIII of the Plan. See Article V.G below and Article VIII of the Plan. There is no assurance that the Plan will be confirmed or, if confirmed, that such material conditions precedent will be satisfied or waived. You are encouraged to read this Disclosure Statement in its entirety, including the Plan and the section in this Disclosure Statement titled "Risk Factors," before considering filing an objection to the Plan. The Bankruptcy Court's approval of this Disclosure Statement does not constitute a guarantee of the accuracy or completeness of the information contained in this Disclosure Statement or an endorsement of the merits of the Plan by the Bankruptcy Court.

FORWARD-LOOKING STATEMENTS

This Disclosure Statement contains forward-looking statements based primarily on the current expectations of the Debtor and projections about future events and financial trends affecting the financial condition of the Debtor. The words “believe,” “may,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” and similar expressions identify these forward-looking statements. These forward looking statements are subject to a number of risks, uncertainties, and assumptions, including those described below in Article IX. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this Disclosure Statement may not occur, and actual results could differ materially from those anticipated in the forward-looking statements. The Debtor does not undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events, or otherwise.

IMPORTANT NOTICES REGARDING THIRD-PARTY RELEASES BY HOLDERS OF CLAIMS

If you are a Holder of a Claim, you may be deemed to be granting releases to third parties pursuant to the Claimant Release under the Plan. Specifically, pursuant to Article IX.C of the Plan, each Holder of a Claim is deemed to grant a release if such holder: (i) does not opt out of the release, (ii) does not timely File with the Bankruptcy Court on the docket of the Chapter 11 Case an objection to the Plan on the basis of the Claimant Release, (iii) Files such an objection that is consensually resolved with the Debtor on terms providing for such Holder to be a Releasing Party or that is withdrawn before Confirmation, or (iv) Files an objection that is thereafter overruled by the Bankruptcy Court. This release is discussed further in Article V.H. of this Disclosure Statement.

QUESTIONS AND ADDITIONAL INFORMATION

If you would like to obtain copies of this Disclosure Statement, the Plan, the Plan Supplement, or any of the documents attached hereto or referenced herein, or have questions about the Debtor’s Chapter 11 Case generally, please contact the Debtor’s proposed Notice and Claims Agent, Epiq Corporate Restructuring, by visiting the Debtor’s restructuring website at <https://dm.epiq11.com/Bedmar>.

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EXHIBITS

EXHIBIT A: Plan

<p>THE DEBTOR HEREBY ADOPTS AND INCORPORATES EACH EXHIBIT ATTACHED TO THIS DISCLOSURE STATEMENT BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN.</p>

I.
EXECUTIVE SUMMARY

The Debtor filed a voluntary petition for relief commencing a case under chapter 11 of the Bankruptcy Code (the “**Chapter 11 Case**”) in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”) on June 9, 2025 (the “**Petition Date**”) and will continue to operate its business in the ordinary course during the pendency of the Chapter 11 Case.

The Debtor submits this Disclosure Statement pursuant to section 1125 of the Bankruptcy Code in connection with the *Prepackaged Plan of Reorganization of Bedmar, LLC under Chapter 11 of the Bankruptcy Code* dated June 10, 2025. A copy of the Plan is attached hereto as **Exhibit A**. The Plan comprises the Debtor’s proposal for administering the orderly winddown of the Debtor’s lease obligations in a manner that will leave all classes of Claims and Interests Unimpaired.

On June 10, 2025, the Debtor filed the *Motion of Debtor for Entry of an Order (I) Scheduling Combined Hearing to Consider Approval of the Disclosure Statement and Confirmation of the Plan; (II) Approving Manner of Notice of Commencement, Combined Hearing, and Objection Deadline; (III) Establishing a Deadline to Object to the Disclosure Statement and the Plan; (IV) Waiving Solicitation of the Plan; (V) Conditionally (A) Directing the U.S. Trustee Not to Convene Section 341(a) Meeting Of Creditors and (B) Waiving Requirement to File Statement of Financial Affairs and Schedules of Assets and Liabilities; and (VI) Granting Related Relief* (the “**Combined Hearing Motion**”). The Combined Hearing Motion seeks, among other things: (a) scheduling of a combined hearing (the “**Combined Hearing**”) at which the Court will consider approval of this Disclosure Statement and confirmation of the Plan; (b) establishment of a deadline to file objections to the adequacy of the Disclosure Statement or confirmation of the Plan (the “**Combined Objection Deadline**”); (c) waiver of the need for solicitation of the Plan and approval of the forms of notice of the Combined Hearing, Combined Objection Deadline, and commencement of the Chapter 11 Case; and (d) conditional (i) direction to the United States Trustee for the District of Delaware not to convene a meeting of creditors under section 341 of the Bankruptcy Code and (ii) waiver of certain reporting requirements of the Debtor.

The Debtor is making this Disclosure Statement available solely as a matter of disclosure pursuant to section 1125 of the Bankruptcy Code. This Disclosure Statement is intended to provide Holders of Claims and Interests with adequate information about (i) the Debtor’s business and certain historical events, (ii) the Chapter 11 Case, (iii) the rights of Holders of Claims and Interests under the Plan, and (iv) other information necessary to enable each Holder of a Claim or Interest to make an informed judgment as to whether or not to object to confirmation of the Plan. Any Holder of a Claim or Interest that Files an objection to the Plan based on the Claimant Release shall not be a Released Party or Releasing Party for purposes of the Plan. The Debtor is not soliciting votes to accept or reject the Plan. All Classes of Claims and Interests are Unimpaired under the Plan and therefore deemed to accept the Plan. The Debtor believes that the Plan is in the best interests of all Holders of Claims and Interests.

The rules of interpretation set forth in Article I.B of the Plan shall govern the interpretation of this Disclosure Statement.

A. Purpose and Effect of the Plan

1. Plan of Reorganization Under Chapter 11 of the Bankruptcy Code

The Debtor is reorganizing pursuant to chapter 11 of the Bankruptcy Code, which is the principal business reorganization chapter of the Bankruptcy Code. As a result, the Debtor will not be liquidated.

A bankruptcy court's confirmation of a plan binds the debtor, any entity acquiring property under the plan, any holder of a claim against or equity interest in the debtor, and all other entities as may be ordered by the bankruptcy court in accordance with the applicable provisions of the Bankruptcy Code to the terms and conditions of the confirmed plan, whether or not such entity voted on the particular plan or affirmatively voted to reject the plan.

B. Classification and Treatment of Claims and Interests Under the Plan

The following table provides a summary of the classification and treatment of Claims and Interests and the potential distributions to Holders of Allowed Claims and Interests under the Plan.

FOR A COMPLETE DESCRIPTION OF THE DEBTOR'S CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS, REFERENCE SHOULD BE MADE TO THE ENTIRE PLAN AND THE RISK FACTORS DESCRIBED IN ARTICLE IX BELOW. THE TABLE IS INTENDED FOR ILLUSTRATIVE PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR A REVIEW OF THE PLAN AND DISCLOSURE STATEMENT IN THEIR ENTIRETY.

SUMMARY OF EXPECTED RECOVERIES			
Class	Claim / Interest	Treatment of Claim / Interest	Projected Recovery Under the Plan
N/A	DIP Claims Estimated Principal Amount: \$25,000,000 Unimpaired; Deemed to Accept Plan	Except to the extent that a Holder of an Allowed DIP Claim and the Debtor agree to a less favorable treatment of its Allowed Claim, in exchange for full satisfaction, settlement, discharge and release of, and in exchange for its Allowed DIP Claim, upon the Effective Date, all unpaid obligations under the DIP Loan, including accrued and unpaid interest, shall automatically be converted to membership interests in the Reorganized Debtor through a capital account equal to the amount of the Allowed DIP Claim(s) on the Effective Date, and the DIP Lender shall not be entitled to any other distributions under the Plan on account of such Allowed DIP Claims.	100%
1	Other Priority Claims Unimpaired; Deemed to Accept Plan	Except to the extent that a Holder of an Allowed Other Priority Claim and the Debtor agree to a less favorable treatment, in exchange for full and final satisfaction, settlement, release, and the discharge of each Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim due and payable on or prior to the Effective Date shall receive, as soon as reasonably practicable after the Effective Date, on account of such Claim: (i) Cash in an amount equal to the amount of such Allowed Other Priority Claim; or (ii) Cash in an amount agreed to by the Debtor or the Reorganized Debtor, as applicable, and such Holder. To the extent any Allowed Other Priority Claim is not due and owing on or before the Effective Date, such Claim shall be paid in full in Cash in accordance with the terms of any agreement between the Debtor (or the Reorganized Debtor, as applicable) and such Holder, or as may be due and payable under applicable non-bankruptcy law or in the ordinary course of business. Nothing in the foregoing or otherwise in the Plan shall prejudice the Debtor's or the	100%

SUMMARY OF EXPECTED RECOVERIES			
Class	Claim / Interest	Treatment of Claim / Interest	Projected Recovery Under the Plan
		Reorganized Debtor's rights and defenses regarding any asserted Other Priority Claim.	
2	Secured Claims Unimpaired; Deemed to Accept Plan	Except to the extent that a Holder of an Allowed Secured Claim agrees to less favorable treatment, in exchange for full and final satisfaction, settlement, release, and discharge of each Allowed Secured Claim, each Holder of an Allowed Secured Claim, at the option of the Debtor, shall, on the Effective Date, (i) be paid in full in Cash, including the payment of any interest required to be paid under section 506(b) of the Bankruptcy Code, (ii) receive the collateral securing its Allowed Secured Claim, or (iii) receive any other treatment that would render such Claim Unimpaired, in each case, as determined by the Debtor.	100%
3	General Unsecured Claims Unimpaired; Deemed to Accept Plan	Subject to <u>Article V.C</u> of the Plan and except to the extent that a Holder of an Allowed General Unsecured Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release, and discharge and in exchange for each Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim against the Debtor shall receive, at the option of the Debtor, (i) Reinstatement of such Allowed General Unsecured Claim; (ii) payment in full in Cash in accordance with applicable law and the terms and conditions of the particular transaction giving rise to, or the agreement that governs, such Allowed General Unsecured Claim, which payment shall occur on the later of (A) the date due in the ordinary course of business or (B) the Effective Date; or (iii) receive any other treatment that would render such Claim Unimpaired, in each case, as determined by the Debtor; <i>provided</i> , that in each case, no Holder of an Allowed General Unsecured Claim shall receive any distribution for any Claim that has previously been satisfied pursuant to a Final Order of the Bankruptcy Court.	100%
4	Interests Unimpaired; Deemed to Accept Plan	On the Effective Date, each Holder of an Allowed Interest shall have such Interest Reinstated.	N/A

C. Filing of the Plan Supplement

The Debtor proposes to file the Plan Supplement at least seven (7) days prior to the deadline to object to confirmation of the Plan. The Debtor will transmit a copy of the Plan Supplement to: (a) the United States Trustee for the District of Delaware; (b) the parties included on the top list of creditors; (c) the United States Attorney's Office for the District of Delaware; and (d) all parties entitled to notice pursuant to Bankruptcy Rule 2002.

The Plan Supplement will include one or more supplemental appendices to the Plan, which shall include, among other things, schedules and exhibits to the Plan, as may be amended, modified, or supplemented from time to time on or prior to the Effective Date, all of which are incorporated by reference into, and are an integral part of, the Plan.

D. Confirmation of the Plan

1. The Combined Hearing

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court to hold a confirmation hearing upon appropriate notice to all required parties. On the Petition Date, the Debtor will request that the Bankruptcy Court schedule the Combined Hearing for a date no sooner than July 25, 2025 (or as soon thereafter as the Court has availability). Notice of the Combined Hearing will be provided to all known creditors and equity holders or their representatives. The Combined Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for the announcement of the continuation date made at the Combined Hearing, at any subsequent continued Combined Hearing, or pursuant to a notice filed on the docket for the Chapter 11 Case.

2. The Deadline for Objecting to Confirmation of the Plan

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to the confirmation of a plan. The Debtor has proposed that the Plan Objection Deadline be July 16, 2025 at 5:00 p.m. (Prevailing Eastern Time). Any objection to confirmation of the Plan must be in writing, must conform to the Bankruptcy Rules and the Local Bankruptcy Rules, must set forth the name of the objector, the nature and amount of the Claims held or asserted by the objector against the Debtor's estate or properties, the basis for the objection and the specific grounds therefore, and must be filed with the Bankruptcy Court, with a copy to the chambers of the United States Bankruptcy Judge appointed to the Chapter 11 Case, together with proof of service thereof, and served upon the following parties, including such other parties as the Bankruptcy Court may order (the "**Notice Parties**"):

(a) Counsel to the Debtor, Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801 (Attn: Michael J. Merchant (merchant@rlf.com) and Amanda R. Steele (steele@rlf.com));

(b) The Office of the United States Trustee, 844 King Street, Suite 2207, Wilmington, Delaware 19801 (attn: Benjamin A. Hackman (benjamin.a.hackman@usdoj.gov)); and

(c) Counsel to any statutory committee, if one is appointed.

CONFIRMATION OBJECTIONS NOT TIMELY FILED AND SERVED MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

E. The Plan Releases

The Plan contains "third-party" releases that will bind certain holders of Claims and Interests. The Debtor believes these provisions comply fully with applicable law. The following summary of those provisions is subject in all respects to the Plan itself

Article IX.C of the Plan provides that the Releasing Parties will be deemed to have released the Released Parties from Claims and Causes of Action relating to the Debtor and its restructuring and Chapter 11 Case, among other things. The Released Parties include, without limitation, the Debtor, the Reorganized

Debtor, the Non-Debtor Affiliates, and their current and former directors, officers, managers, proxyholders, employees and advisors.

The Released Parties also will be released from any Claims and Causes of Action held by the Estates under the Plan. Additionally, from and after the Effective Date, Holders of Claims that are Unimpaired under the Plan will be barred from proceeding with Claims against any Released Party.

All Holders of Claims and Interests are advised to read Article IX.C of the Plan, which sets forth in greater detail the information disclosed herein.

F. Consummation of the Plan

It will be a condition to confirmation of the Plan that all provisions, terms, and conditions of the Plan are approved in the Combined Order unless otherwise satisfied or waived pursuant to the provisions of Article VIII of the Plan. Following confirmation, the Plan will be consummated on the Effective Date.

II. BACKGROUND TO THE CHAPTER 11 CASE

A. The Debtor's Organizational Structure

The Debtor is a Delaware limited liability company. Bedmar Member, Inc. is the sole member of the Debtor and an indirect wholly-owned subsidiary of National Resilience Holdco, Inc. (the "**Parent**"). Although its membership interests are owned indirectly by the Parent, the Debtor is controlled by and acts through its Independent Manager.

B. The Debtor's History

1. Corporate History of the Parent

The Parent is a private corporation whose corporate predecessor, National Resilience, Inc. ("**Original Parent**"), together with certain of its subsidiaries, was formed in 2020. The business was founded in the immediate aftermath of the outset of, and in response to, the global COVID-19 pandemic, with dual goals of enhancing capabilities to support the U.S.-based manufacturing of pharmaceuticals and introducing innovation into biomanufacturing. The Original Parent's business plan was premised on developing end-to-end solutions with customers based on strategic alignment. The Original Parent also sought to address manufacturing capacity constraints, including the shortage of specialist facilities and insufficient manufacturing processes.

Indeed, enhancing U.S.-based biopharmaceutical manufacturing capabilities was a crucial component of the Original Parent's strategy. The onshoring of this manufacturing became a government priority during the COVID-19 pandemic. The acute medical and pharmaceutical supply shortages and severe disruption to the global supply chain that occurred during the pandemic underscored the criticality of increasing American biomanufacturing capabilities as a matter of public health and national and economic security.

The Original Parent attracted substantial equity investments from late 2020 through early 2022 and began employing that capital through the strategic purchase and leasing of sites—both directly and through the acquisition of subsidiaries—that would become manufacturing plants, process development facilities, and laboratories in strategic locations throughout the United States. For the avoidance of doubt, the Parent and its ongoing operations are not a part of this Chapter 11 Case.

2. Challenges Leading to the Chapter 11 Case

By the middle of 2022, it became increasingly difficult for the Original Parent to obtain financing to support its expansive footprint, which included numerous sites that did not yet have a significant number of contracted customers. To raise liquidity, a subsidiary of the Original Parent engaged in certain sale-leaseback transactions for three previously owned facilities, including the Site located in Marlborough, Massachusetts. Because of the importance of its business to federal interests, the Original Parent was able to obtain a loan from the United States Department of Defense (the "**DoD**"). Although the total loan commitment from the DoD was \$410 million, the DoD advanced only \$246 million in light of the Original Parent's inability to meet certain operational and financial milestones in the face of continuing economic uncertainty. Certain manufacturing facilities, including those located in Bedford, Massachusetts and Fremont, California, ultimately never became operational.

After an approximately 18-month process seeking to obtain financing, during which its existing cash reserve continued to be depleted by the nonoperational facilities, the Original Parent determined that

the financing necessary to maintain its operational manufacturing facilities—and, in turn, continue to service the customers that had come to rely on its capabilities—could only be obtained if the nonoperational and/or underutilized facilities could be wound down in a prompt and efficient manner.

3. Corporate Transactions

The Parent and its U.S. subsidiaries are Delaware entities. Certain of these subsidiaries underwent divisions pursuant to section 18-217 of the Delaware LLC Act. The Debtor is a resulting entity from a division of one such subsidiary pursuant to certain corporate transactions (the “**Corporate Transactions**”) that occurred in early June 2025.

The Parent was formed in connection with a reorganization of the Original Parent, which was an initial step of the Corporate Transactions. The Parent was formed as a corporation to serve as a holding company, and the Original Parent and its main operating subsidiary were converted from corporations to limited liability companies. These limited liability companies subsequently engaged in divisions, which resulted in the formation of the two entities (Bedmar Holdco, LLC³ and Bedmar, LLC) that ultimately merged to create Bedmar, LLC, the Debtor.

Pursuant to the division of Resilience US, LLC, Bedmar, LLC was allocated leasehold interests in the company’s Allston, Massachusetts, Marlborough, Massachusetts and Bedford, Massachusetts Sites. As part of the Corporate Transactions, the Debtor became the lessee under leases associated with Sites in San Diego and Fremont, California upon Bedmar, LLC’s merger with Bedmar Holdco, LLC. The lease associated with the Alachua, Florida Site was then assigned to the Debtor from an affiliated entity (Alachua Government Services, Inc., formerly known as Resilience Government Services, Inc.) consistent with the terms of the lease. Each of the Debtor’s leases and the associated properties are discussed in greater detail below.

To ensure fairness to creditors in connection with the Corporate Transactions, the Debtor received sufficient assets, in cash and receivables, to pay claims resulting from the orderly winddown of the Sites. To raise capital to support the Corporate Transactions, certain of the Parent’s current investors invested capital in the form of preferred stock of a subsidiary of the Parent.

Upon the Debtor’s formation, Christopher S. Sontchi was appointed as Independent Manager of the Debtor with exclusive control of the Debtor’s business and affairs. Mr. Sontchi is a former Judge of the United States Bankruptcy Court for the District of Delaware, where he served for sixteen years, including one term as Chief Judge, and has over 30 years of restructuring experience. Prior to his appointment, Mr. Sontchi had no role or relationship with the Parent or its affiliates.

Prior to the Debtor’s formation, Mr. Sontchi undertook certain diligence and discussed with the officers and advisors to the Debtor’s affiliated entities the need for and implementation of the Corporate Transactions. In addition, Mr. Sontchi reviewed certain documents effectuating or otherwise relating to the Corporate Transactions and certain other business records of the Debtor and its affiliates.

Moreover, prior to the Petition Date, the Debtor retained: (a) Richards, Layton & Finger, P.A. (“**RL&F**”) as legal counsel; (b) Douglas Wilson Companies (“**DWC**”) as financial advisor; and (c) Epiq

³ Bedmar Holdco, LLC is a resulting company from the division of the Original Parent in which it was allocated the leasehold interests in the San Diego Warehouse, San Diego Office and Fremont, California Sites (each as described below).

Corporate Restructuring (“**Epiq**”) as claims and noticing and administrative agent. These professionals report exclusively to the Independent Manager on behalf of the Debtor.

Prior to the Corporate Transactions, RL&F reviewed relevant transactional and other documents in anticipation of RL&F’s potential engagement by the Debtor upon its formation and engaged in discussions with the Independent Manager regarding such documents and related matters. Likewise, DWC assisted the Independent Manager in, among other things, assessing the reasonableness of the Services Agreement and Lease Support and Use Agreement (discussed further below) prior to the Corporate Transactions. RL&F, DWC, an Epiq continue to independently represent the Debtor. The Parent and Original Parent were represented by completely separate counsel and advisors and will continue to be during the Chapter 11 Case.

C. The Debtor’s Business

1. The Leases

As set forth above, the Debtor was formed to manage and administer the orderly winddown of underutilized manufacturing, laboratory, and office sites (the “**Sites**”), including Sites in: (a) Bedford, Massachusetts; (b) Allston, Massachusetts; (c) Marlborough, Massachusetts; (d) San Diego, California (two Sites); (e) Fremont, California; and (f) Alachua, Florida. Specifically, the Sites include:

- **Bedford, Massachusetts.** The leased Site is located at 28 Crosby Drive, Bedford, Massachusetts. The building contains approximately 114,155 rentable square feet and the lease covers 73,920 square feet. The landlord is Cobalt PropCo 2020 LLC, and the lease term expires on September 30, 2032. The Site is partially subleased (21,098 square feet) to CubicPV Inc., which sublease terminates on September 30, 2032. The property currently has no operations excepting those of the sublessee, if any.
- **Allston, Massachusetts.** The leased Site is a ground lease located at 500 Soldiers Field, Allston, Massachusetts. The building on the leased Site, which is owned by the Debtor, contains approximately 315,095 square feet. The landlord is the President and Fellows of Harvard College (successor to Massachusetts Turnpike Authority), and the ground lease expires on May 31, 2057.
- **Marlborough, Massachusetts.** The leased Site is located at 92 Crowley Drive, Marlborough, Massachusetts. The building contains approximately 120,178 rentable square feet of space. The landlord is 92 Crowley Owner (DE) LLC, and the lease expires on October 31, 2037.
- **San Diego Warehouse.** The leased Site is located at 10792 Roselle Street, San Diego, California. The building contains approximately 18,777 rentable square feet of warehouse space. The landlord is NBTk Holdings, LP & Kavenish, Ltd. LP, and the lease expires on February 28, 2029. The Site is subleased in its entirety to 100% Speedlab, LLC, which sublease also terminates on February 28, 2029.
- **San Diego Office.** The leased Site is located at 3115 Merryfield Row, San Diego, California. The building contains approximately 152,995 rentable square feet of space and the lease covers 37,919 square feet. The landlord is ARE-SD Region No. 23, LLC, and the lease expires on March 31, 2029.

- **Fremont, California.** The subleased Site is located at 800 Corporate Way, Fremont, California. The building contains approximately 152,995 rentable square feet of space. The Debtor subleases the property from Orchard Therapeutics North America, which sublease terminates on May 30, 2030. The property has never been operational.
- **Alachua, Florida.** The leased Site is located at 13141 NW Nano Court, Alachua, Florida. The building contains approximately 35,291 square feet, consisting of Unit A (19,651 square feet) and Unit B (15,640 square feet). The landlord is CEMG Alachua, LLC, and the lease expires on February 28, 2031.

As a result of the Corporate Transactions, the Debtor also owns a 51% membership interest in AGS Holdco, LLC that is the sole equity owner of Alachua Government Services, Inc. (“AGS”). AGS is a corporation originally known as Ology Bioservices, Inc. that is an approved government contractor for manufacturing and clinical trials.

In addition to the leases and related assets and its indirect membership interest in AGS, the Debtor held approximately \$41.4 million in cash and receivables as of the Petition Date. This cash and receivables were allocated to the Debtor in connection with the Corporate Transactions in order to facilitate the efficient wind down of the Sites and full payment of all allowed claims pursuant to the Plan subject to section 502(b)(6) of the Bankruptcy Code to the extent applicable.

2. The Services Agreement

The Debtor has no employees or access to other corporate services, such as information, technology, human resources, and insurance. Accordingly, in connection with the Corporate Transactions, the Debtor, on the one hand, and the Parent and certain operating subsidiaries thereof (collectively, the “**Service Provider**”), on the other hand, entered into a services agreement (the “**Services Agreement**”) to ensure that the Debtor has access to the necessary resources and services to operate its business and assist in the winding down of the Sites (the “**Services**”).

Specifically, the Debtor receives the following Services from the Service Provider,⁴ which serve various corporate and administrative functions:

Service	Brief Description
Corporate Accounting, Tax, and Finance Services	The Service Provider provides accounting services regarding financial statements and maintains oversight for all of the Debtor’s accounting activities, provides guidance to the Debtor regarding accounting policies, approves valuations and other technical issues, and assists in substantiating data as well as accounts payable and receivable processing services.
General Corporate Services	The Service Provider provides general corporate services, including allocation of costs related to corporate executives for overseeing services provided to the Debtor, including remaining commercial activity, as needed.

⁴ A copy of the Services Agreement is attached to the Cash Management Motion. The summary contained herein is qualified in its entirety by the provisions of the Services Agreement. To the extent that anything in this First Day Declaration is inconsistent with the terms of the Services Agreement, the Services Agreement will control.

Service	Brief Description
Insurance Services	The Service Provider provides insurance services, including procuring, implementing, and maintaining all of the Debtor's insurance programs, as well as other insurance that is commercially advisable or required pursuant to any lease of the Debtor, including, without limitation, commercial general liability insurance. The Service Provider is responsible for administering all claims and making collections on behalf of the Debtor under insurance policies covering the Debtor or its facilities. For the avoidance of doubt, the Debtor is required to be named as an additional insured or a named insured, as appropriate, under any insurance policies that include the Service Provider as a named insured or an additional insured.
Information Technology Services	The Service Provider provides information technology services in several principal areas: (i) networks, including providing wide-area data networks or cloud services, and associated technical support; (ii) helpdesk support and software licenses, including global support services for locally-based personnel and coordinating licenses or sublicenses or right to use arrangements for third party software; (iii) applications and systems; including developing applications and integrating certain third party applications; and (iv) management of domain names.
Human Resources	The Service Provider provides access to payroll services and benefits to employees who support the Debtor's facilities (none of whom are employed by the Debtor).
Facilities Maintenance and Utilities Expenses	The Service Provider provides facilities maintenance services and makes utilities expenditures, including expenditures in connection with the provision of facility maintenance services and utilities by third-party providers at one or more of the properties for which the Debtor is party to a nonresidential real property lease; <i>provided</i> , that expenditures with respect to utilities shall be limited to amounts incurred in June 2025. Estimated costs will be charged as incurred and are payable upon invoice.
Lease Surrender and Exit Expenses	The Service Provider provides services and makes expenditures in connection with surrender of leases, including, without limitation, cleaning, environmental remediation and compliance, coordination with landlords, repairs, removal or disposal of equipment, and any other services required to ensure acceptable condition of leased spaces before surrender. This also includes the payment of any outstanding real estate taxes.

The Debtor and the Service Provider agreed to certain fees related to the applicable services provided (collectively, the “**Service Fees**”). For the Services (other than Lease Surrender and Exit Expenses and Facilities Maintenance and Utilities Expenses), the Debtor and the Service Provider agreed to a projected monthly cost of fees related to each Service (collectively, the “**Monthly Service Fees**”). The Monthly Service Fees during the Chapter 11 Case are expected to be approximately \$340,000 per month.

With respect to the Lease Surrender and Exit Expenses and Facilities Maintenance and Utilities Expenses, the Service Provider will invoice the Debtor monthly for the costs incurred the previous month (the “**Monthly Expenses**”). The Debtor and Service Provider estimate that the aggregate Monthly Expenses to be incurred by the Debtor during the Chapter 11 Case will be approximately \$7.7 million.

In addition to the Monthly Service Fees and the Monthly Expenses, the Service Fees also include reimbursement of separable expenses that the Service Provider pays on behalf of the Debtor, such as invoices issued by independent service providers or for goods and services which directly benefit the Debtor. As set forth in the Services Agreement, the Service Provider shall not incur any separable expense above \$50,000 on behalf of the Debtor without the written consent of the Debtor or its counsel.

As set forth above, the Debtor expects that the Monthly Service Fee (excluding any Monthly Expenses) will total approximately \$340,000 per month. As of the Petition Date, no Services Fees are due and owing to the Service Provider. The Debtor evaluated the Service Fees, and the Debtor believes such costs are reasonable in light of the scope of Services provided by the Service Provider under the Services Agreement. In particular, due to the nature of the Debtor’s operations, the Debtor believes that it would be unable to receive the Services at a similarly competitive cost in the marketplace. Further, due to the Debtor’s corporate structure, the Service Provider has knowledge of the operational needs of the Debtor and can provide the Services efficiently and at a lower cost. Finally, as set forth above, the Debtor’s operations are limited to the winddown of the Sites. The Debtor has no employees and does not have the ability to perform the Services itself. As a result, the Services are integral to the operation of the Debtor and to ensure a smooth and efficient winddown of the Sites. If the Services were to be discontinued, the Debtor’s operations would be disrupted and the Debtor would need to look to a third-party service provider for such Services. Accordingly, the Debtor believes maintaining the Services is in the best interest of the Debtor and its estate.

Notwithstanding the Services Agreement, the Debtor has retained DWC to, among other things, provide accounting services, monitor the Debtor’s lease obligations, negotiate with landlords, creditors, the Parent and its affiliates, and to make recommendations to the Independent Manager. The Debtor does not believe that the services to be provided by DWC will be duplicative of the Services to be provided under the Services Agreement.

3. The Lease Support and Use Agreement

As set forth above, the Debtor is a party to certain leases pursuant to which it leases real property from various landlords (collectively, the “**Landlords**”). Prior to the Petition Date, the Parent and certain of its subsidiaries (collectively, the “**Support Parties**”) occupied the leased premises and interacted with the applicable Landlords. Following the Corporate Transactions, these entities continue to require access to certain of the properties prior to the Debtor’s rejection of the applicable leases. In addition, prior to the Petition Date, the Support Parties obtained letters of credit (collectively, the “**Letters of Credit**”) to support the tenant obligations with respect to certain of the leases. The Support Parties will be liable for any draws under such Letters of Credit.

In connection with the Corporate Transactions, and as result of the needs of the Debtor and the Support Parties with respect to the leased premises and the outstanding Letters of Credit, the Debtor entered into that certain Lease Support and Use Agreement,⁵ under which, among other things, the Support Parties agreed to indemnify and hold harmless the Debtor for Losses (as defined in the Lease Support and Use Agreement) (a) imposed or incurred by the Debtor to the extent arising out of or related to the existence of any property conditions that breached one of the Debtor’s Leases while the leased premises were or are

⁵ A copy of the Lease Support and Use Agreement is attached to the Cash Management Motion.

occupied by a Support Party or (b) resulting from unpaid common area maintenance (CAM) expenses incurred during the period that any premises leased by the Debtor were or are occupied by a Support Party. In addition, the Lease Support and Use Agreement also provides that in the event a Letter of Credit is drawn down by a Landlord, then upon confirmation of the Plan, the Support Parties will waive their right to be reimbursed for amounts drawn under any such Letter of Credit up to the amount to be paid to the Landlord, by agreement or order of the Bankruptcy Court, for damages resulting from the rejection of such Lease subject to the Debtor's agreement that it will use its best efforts to recover any excess funds resulting from the drawdown of any Letter of Credit. Further, pursuant to the Lease Support and Use Agreement, the Debtor will delegate to the Support Parties negotiations with any Landlords with respect to exit costs following rejection of any leases. The Debtor maintains the right to consent to any resulting agreement or resolution.

The Lease Support and Use Agreement also provides the Support Parties with certain designation rights with respect to two of the Leases in an effort to reduce total Lease rejection damages payable by the Debtor. The Support Parties will bear the expense of occupancy of such Lease and any related transaction expenses and the proceeds of any transaction resulting in the reduction of Lease rejection damages payable by the Debtor shall be payable to the Support Parties.

In exchange for these benefits provided to the Debtor under the Lease Support and Use Agreement, the Debtor is required to provide the Support Parties access to the leased properties and full use of such properties prior to the earlier of the access date set forth in the Lease Support and Use Agreement and the date the Debtor surrenders the leased premises to the applicable Landlord.

The Debtor believes that the Lease Support and Use Agreement provides a benefit to the Debtor and its estate by reducing the Debtor's legal costs through the indemnity and providing a waiver of any reimbursement claim in connection with the Letters of Credit upon confirmation of the Plan. Further, the Debtor believes that the Support Parties are best positioned to negotiate with the Landlords with respect to the exit costs because historically they have had the relationship with such Landlords.

D. The Debtor's Capital Structure

The Debtor has no material secured debt. As of the Petition Date, the Debtor's accrued and unpaid obligations are limited almost exclusively to certain outstanding lease obligations with respect to the Sites.

III.

ANTICIPATED EVENTS DURING THE CHAPTER 11 CASE

A. First Day Motions and Other Pleadings

On the Petition Date, the Debtor filed certain motions seeking various relief from the Bankruptcy Court intended to facilitate the Debtor's operations, ensure a seamless transition into chapter 11, and achieve the goals of the Chapter 11 Case. The following is a brief overview of the substantive relief the Debtor requests in such motions.

1. Debtor-in-Possession Financing Motion

To address its capital needs during the Chapter 11 Case and fund its reorganization efforts, the Debtor filed a motion on the Petition Date seeking Bankruptcy Court approval of an agreement with the DIP Lender to provide the DIP Facility in an aggregate principal amount of \$25,000,000. As further described in Article I.B hereof, the DIP Lender has agreed (a) to provide the DIP Loan (as defined in the DIP Motion) on an unsecured basis and (b) that the DIP Loan shall be entitled to administrative expense

priority, but, on the Effective Date of the Plan, all unpaid obligations under the DIP Loan, including accrued and unpaid interest, shall automatically be converted to membership interests in the Reorganized Debtor with a capital account equal to the amount of the DIP Claim on the Effective Date, and the DIP Lender shall not be entitled to any other distributions under the Plan on account of such obligations. The DIP Motion does not request any interim relief, but rather, seeks approval of the DIP Facility after notice and, if necessary, a hearing.

2. Motion to Maintain Bank Account and Continue Intercompany Transactions

On the Petition Date, the Debtor sought authority from the Bankruptcy Court to: (a) continue to maintain its existing bank account; (b) grant the Debtor a waiver of certain bank account and related guidelines of the United States Trustee; and (c) continue ordinary course intercompany transactions between and among the Debtor and its Non-Debtor Affiliates (including amounts arising in connection with the Services Agreement and the Lease Support and Use Agreement), among other relief. Such relief is necessary to enable the Debtor's smooth transition into chapter 11 and to ensure the Debtor's ability to continue accessing necessary financial and business-related services while minimizing administrative expenses.

3. Lease Rejection Motion

To assist with the goal of winding down the Sites, on the Petition Date, the Debtor sought authorization (the "**Lease Rejection Motion**") from the Bankruptcy Court to reject the seven (7) Leases and two (2) subleases (the "**Subleases**") associated with the Sites, effective as of the Petition Date or soon thereafter. Prior to seeking to reject the Leases and Subleases, the Debtor and its advisors considered various ways to alleviate the onerous obligations associated therewith. Given the obligations under the Leases and current market conditions, the Debtor and its advisors concluded that the Leases are not marketable and are unlikely to generate material value for the Debtor's estate. Accordingly, the Debtor determined that it would be most cost effective and beneficial to seek to reject the Leases and the Subleases. The proposed rejection damages amounts for the Leases and Subleases are set forth on Schedule A to the Plan, which sets forth the Scheduled Rejection Damages Claim for each rejected Lease and Sublease that represents the Allowed General Unsecured Claim arising from the Debtors rejection of the applicable Lease/Sublease, as calculated by section 502(b)(6) of the Bankruptcy Code. Each lease counterparty identified on Schedule A to the Plan shall have until the Rejection Damages Bar Date to File a Proof of Claim to object to the proposed amount of the Scheduled Rejection Damages Claim. Absent a counterparty timely and properly Filing a Proof of Claim, the proposed Scheduled Rejection Damages Claim shall be deemed assented to by all parties and shall be deemed the lease counterparty's sole Allowed Claim arising from the Debtor's rejection of the applicable Lease/Sublease.

B. Other Procedural Motions and Retention of Professionals

The Debtor filed or intends to file various other motions that are common to chapter 11 cases of similar size and complexity to this Chapter 11 Case, including applications to retain various professionals to assist the Debtor in the Chapter 11 Case.

C. Combined Hearing Motion and Timetable for the Chapter 11 Case

On the Petition Date, the Debtor filed the Combined Hearing Motion, seeking to schedule a combined hearing to consider approval of this Disclosure Statement and confirmation of the Plan on July 25, 2025 (subject to the Bankruptcy Court's availability). At the Combined Hearing, the Bankruptcy Court will consider whether the Plan satisfies the various requirements of the Bankruptcy Code.

The following table provides a timetable for the key dates in the proposed Confirmation schedule.

Event	Proposed Date / Deadline
Plan Supplement Filing Deadline	July 8, 2025
Plan and Disclosure Statement Objection Deadline	July 16, 2025
Deadline to file proposed Combined Order	July 21, 2025
Confirmation Brief and Reply Deadline	July 23, 2025 (12 pm E.T.)
Combined Hearing	July 25, 2025

IV. SUMMARY OF THE PLAN

THE TERMS OF THE PLAN, A COPY OF WHICH IS ATTACHED AS EXHIBIT A HERETO, ARE INCORPORATED BY REFERENCE HEREIN. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT INCLUDE SUMMARIES OF THE PROVISIONS CONTAINED IN THE PLAN AND IN THE DOCUMENTS REFERRED TO THEREIN, WHICH ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN (AS WELL AS THE EXHIBITS THERETO AND DEFINITIONS THEREIN).

THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT 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 SHOULD BE 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. HOLDERS OF CLAIMS AGAINST, AND INTERESTS IN, THE DEBTOR AND OTHER INTERESTED PARTIES ARE URGED TO READ THE PLAN AND THE EXHIBITS THERETO IN THEIR ENTIRETY.

A. Classification and Treatment of Claims and Interests under the Plan

The provisions of Article III of the Plan govern Claims against and Interests in the Debtor. Except for the Claims addressed in Article II of the Plan (or as otherwise set forth herein), all Claims and Interests are placed in Classes. In accordance with section 1123(a)(1) of the Bankruptcy Code, the Debtor has not classified General Administrative Claims, DIP Claims, Professional Fee Claims, Priority Tax Claims, and United States Trustee Statutory Fees and Related Obligations as described in Article II of the Plan.

The categories of Claims and Interests listed below classify Claims and Interests for all purposes, including distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. The Plan deems a Claim or Interest to be classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class, and such Claim or Interest shall be deemed classified in a different Class to the extent that any remainder of such Claim or Interest qualifies within the description of such different Class. A Claim or Interest is in a particular Class only to the extent that any such Claim or Interest is Allowed in that Class and has not been paid or otherwise settled prior to the Effective Date.

Summary of Classification and Treatment of Claims and Interests

Class	Claim	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Presumed to Accept
2	Secured Claims	Unimpaired	Presumed to Accept
3	General Unsecured Claims	Unimpaired	Presumed to Accept
4	Interests	Unimpaired	Presumed to Accept

B. Presumed Acceptance of the Plan

All Claims against and Interests in the Debtor are Unimpaired under the Plan, and their Holders are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Claims and Interests, regardless of which Class such Claims or Interests are classified into, are not entitled to vote on the Plan, and the votes of such Holders shall not be solicited.

EXCEPT AS OTHERWISE PROVIDED HEREIN, NOTHING UNDER THE PLAN SHALL AFFECT OR LIMIT THE DEBTOR'S OR THE REORGANIZED DEBTOR'S RIGHTS AND DEFENSES (WHETHER LEGAL OR EQUITABLE) IN RESPECT OF ANY CLAIMS, INCLUDING, WITHOUT LIMITATION, ALL RIGHTS IN RESPECT OF LEGAL AND EQUITABLE DEFENSES TO, OR SETOFFS OR RECOUPMENTS AGAINST, ANY CLAIMS.

C. Means of Implementation of the Plan

Article IV of the Plan governs and describes the means of implementation of the Plan.

Article IV.A ("**General Settlement of Claims and Interests**") provides that pursuant to section 1123 of the Bankruptcy Code, the Plan is and shall be deemed a good faith compromise and settlement of all claims, interests, and controversies belonging to the Debtor that are being settled under the Plan. The entry of the Combined Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such claims, interests, and controversies belonging to the Debtor, as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Debtor and its Estate, and is fair, equitable and reasonable. The compromises, settlements, and release described in the Plan shall be deemed nonseverable from each other and from all other terms of the Plan. Subject to Article VI of the Plan, distributions made to Holders of Allowed Claims in any Class are intended to be and shall be final and indefeasible and shall not be subject to avoidance, turnover, or recovery by any other Person.

Article IV.B ("**Corporate Existence**") provides that the Debtor shall continue to exist after the Effective Date as a limited liability company, with all the powers of a limited liability company, pursuant to the applicable law of Delaware and pursuant to the formation and operating agreements in effect prior to the Effective Date.

Article IV.C ("**Vesting of Assets in the Reorganized Debtor Free and Clear of Liens and Claims**") provides that on and after the Effective Date, all property in the Estate, all Causes of Action, and any property of the Debtor shall vest in the Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances. On and after the Effective Date, the Reorganized Debtor may (i) operate its businesses, (ii) use, acquire, and dispose of its property, and (iii) compromise or settle any Claims, Interests, or Causes of Action, in each case without notice to, supervision of, or approval by the Bankruptcy Court and free and clear of any restrictions of the Bankruptcy Code or the Bankruptcy Rules, including for the avoidance of doubt any restrictions on the use, acquisition, sale, lease, or disposal of property under section 363 of the Bankruptcy Code.

Article IV.D (“Cancellation of Existing Agreements”) provides that on the Effective Date, except to the extent otherwise provided in the Plan, the Combined Order, or any other Definitive Document, all notes, bonds, indentures, certificates, securities, purchase rights, options, warrants, collateral agreements, subordination agreements, or other instruments or documents directly or indirectly evidencing, creating, or relating to any existing indebtedness or obligations of the Debtor or giving rise to any rights or obligations relating to Claims against the Debtor shall be deemed canceled and surrendered, and the obligations of the Debtor or the Reorganized Debtor, if/as applicable, and any Non-Debtor Affiliates thereunder or in any way related thereto shall be deemed satisfied in full, released, and discharged; *provided* that, notwithstanding such cancellation, satisfaction, release, and discharge, anything to the contrary contained in the Plan or the Combined Order, Confirmation or the occurrence of the Effective Date, any such document or instrument that governs the rights, Claims, or remedies of the Holder of a Claim shall continue in effect solely for purposes of: (i) enabling the Holder of such Claim to receive distributions on account of such Claim under the Plan as provided in the Plan; and (ii) permitting the Reorganized Debtor and any other Distribution Agent, as applicable, to make distributions on account of the applicable Claims.

Article IV.E (“Organizational Documents”) provides that from and after the Effective Date, the organizational documents of the Reorganized Debtor will comply with section 1123(a)(6) of the Bankruptcy Code.

Article IV.F (“Release of Liens and Claims”) provides that to the fullest extent provided under section 1141(c) and other applicable provisions of the Bankruptcy Code, except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to Article VI of the Plan, all Liens, Claims, mortgages, deeds of trust, or other security interests against the assets or property of the Debtor or the Estate shall be fully released, canceled, terminated, extinguished and discharged, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity. The filing of the Combined Order with any federal, state, or local agency or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens, Claims and other interests to the extent provided in the immediately preceding sentence. Any Person or Entity holding such Liens, Claims or interests shall, pursuant to section 1142 of the Bankruptcy Code, promptly execute and deliver to the Reorganized Debtor such instruments of termination, release, satisfaction and/or assignment (in recordable form) as may be reasonably requested by the Reorganized Debtor.

Article IV.G (“Manager of the Reorganized Debtor”) provides that The Reorganized Debtor will continue to be managed by the Debtor’s independent manager. The Reorganized Debtor will provide its independent manager (as applicable) with indemnification rights and will compensate its independent manager consistent with compensation provided during the Chapter 11 Case. The Reorganized Debtor will assume any prepetition indemnification obligations to its independent manager.

Article IV.H (“Corporate Action”) provides that upon the Effective Date, all actions contemplated by the Plan shall be deemed authorized, approved, and, to the extent taken prior to the Effective Date, ratified without any requirement for further action by Holders of Claims, the Debtor’s independent manager, the Reorganized Debtor, or any other Entity, including: (i) assumption and rejection (as applicable) of Executory Contracts and Unexpired Leases; (ii) Reinstatement of Interests; and (iii) all other acts or actions contemplated, or reasonably necessary or appropriate to promptly consummate the transactions contemplated by the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan involving the company structure of the Debtor, and any company action required by the Debtor in connection therewith, shall be deemed to have occurred on, and shall be in effect as of, the Effective Date, without any requirement of further action by the independent manager of the Debtor.

Prior to, on and after the Effective Date, the independent manager of the Debtor or the Reorganized Debtor shall be authorized and directed to issue, execute, and deliver the agreements and documents contemplated by the Plan (or necessary or desirable to effect the transactions contemplated by the Plan) in the name of and on behalf of the Debtor or Reorganized Debtor. Prior to or on the Effective Date, the Debtor is authorized, in its sole discretion, to change its name or corporate form and to take such other action as required to effectuate a change of name or corporate form in the jurisdiction of incorporation of the Debtor or Reorganized Debtor. To the extent the Debtor changes its name or corporate form prior to the closing of the Chapter 11 Case, the Debtor shall change the case caption accordingly.

Article IV.I (“**Authority of the Debtor**”) provides that effective on the Confirmation Date, the Debtor and its independent manager shall be empowered and authorized to take or cause to be taken, prior to the Effective Date, all actions necessary or appropriate to achieve the Effective Date and enable the Reorganized Debtor to implement effectively the provisions of the Plan and the Combined Order.

Article IV.J (“**Continuing Effectiveness of Final Orders**”) provides that Payment authorization granted to the Debtor under any prior Final Order entered by the Bankruptcy Court shall continue in effect after the Effective Date. Accordingly, the Debtor or the Reorganized Debtor may pay or otherwise satisfy any Claim to the extent permitted by, and subject to, the applicable Final Order without regard to the treatment that would otherwise be applicable to such Claim under the Plan.

D. Treatment of Executory Contracts and Unexpired Leases

Article V of the Plan governs the treatment of the Debtor’s Executory Contracts and Unexpired Leases, among other things.

Article V.A (“**Assumption of Executory Contracts and Unexpired Leases**”) provides that on the Effective Date, except as otherwise provided in the Plan, each of the Executory Contracts and Unexpired Leases not previously rejected, assumed, or assumed and assigned pursuant to an order of the Bankruptcy Court shall be deemed assumed as of the Effective Date pursuant to sections 365 and 1123 of the Bankruptcy Code except any Executory Contract or Unexpired Lease (i) that is the subject of a separate motion or notice to reject pending as of the Effective Date, or (ii) that previously expired or terminated pursuant to its own terms (disregarding any terms the effect of which is invalidated by the Bankruptcy Code).

Entry of the Combined Order by the Bankruptcy Court shall constitute an order approving the assumption or rejection of the Executory Contracts and Unexpired Leases pursuant to sections 365(a) and 1123 of the Bankruptcy Code, effective on the occurrence of the Effective Date (unless assumed or rejected pursuant to a separate order, in which case the effective date of assumption or rejection set forth in such order shall control). Each Executory Contract and Unexpired Lease assumed pursuant to the Plan or by the Bankruptcy Court order shall re-vest in and be fully enforceable by the Reorganized Debtor in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court.

To the maximum extent permitted by law, unless otherwise provided in the Plan, the transactions contemplated by the Plan shall not constitute a “change of control” or “assignment” (or terms with similar effect) under any Executory Contract or Unexpired Lease assumed pursuant to the Plan, or any other transaction, event, or matter that would (1) result in a violation, breach, or default under such Executory Contract or Unexpired Lease, (2) increase, accelerate, or otherwise alter any obligations, rights, or liabilities of the Debtor or the Reorganized Debtor under such Executory Contract or Unexpired Lease, or (3) result in the creation or imposition of a Lien upon any property or asset of the Debtor or the Reorganized Debtor pursuant to the applicable Executory Contract or Unexpired Lease. Any consent or advance notice required

under such Executory Contract or Unexpired Lease in connection with assumption thereof (pursuant to the other provisions of this Article V.A) shall be deemed satisfied by Confirmation.

Article V.B (“Payments on Assumed Executory Contracts and Unexpired Leases”) provides that any monetary default under an Executory Contract or Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the Cure Cost in Cash on the Effective Date or as soon as reasonably practicable, subject to the limitation described below, or on such other terms as the parties to such Executory Contract or Unexpired Lease may otherwise agree.

In the event of a dispute regarding (1) Cure Cost, (2) the ability of the Reorganized Debtor or any assignee to provide “adequate assurance of future performance” (within the meaning of section 365(b) of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption, the Bankruptcy Court shall hear such dispute, to the extent unresolved, before the assumption becoming effective; *provided*, that the Debtor may settle any such dispute and shall pay any agreed upon Cure Cost without any further notice to any party or any action, order, or approval. The cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order(s) resolving the dispute and approving the assumption and shall not prevent or delay implementation of the Plan or the occurrence of the Effective Date.

Parties to Executory Contracts and Unexpired Leases assumed by the Debtor pursuant to the Plan shall not be required to File a Proof of Claim or objection to assert or preserve any Cure Cost. Any and all Proofs of Claim other than on account of timely Filed Unscheduled Rejection Damages Claims, shall be deemed (i) Disallowed; (ii) forever barred, estopped, and enjoined from assertion; and (iii) fully satisfied, released, and discharged, notwithstanding any Proof of Claim to the contrary, in each case, without further order of the Bankruptcy Court.

Article V.C (“Affiliate Lease Guaranties”) provides that for the avoidance of doubt, any Claim based on or arising from an Affiliate Lease Guaranty is a Rejection Damages Claim, which pursuant to the Plan, is deemed Disputed and shall be Allowed in its Scheduled amount (if any), including as may be set forth on Schedule A to the Plan.

Article V.D (“Rejection Damages Claims”) provides that Schedule A to the Plan sets forth the Scheduled amount of the Rejection Damages Claim for each (i) rejected Unexpired Lease that represents the Allowed General Unsecured Claim for the applicable Unexpired Lease arising from the Debtor’s rejection of such lease, calculated as the lesser of actual damages or the amount calculated by section 502(b)(6) of the Bankruptcy Code or (ii) Claim on account of an Affiliate Lease Guaranty. Each counterparty identified on Schedule A shall have until the Rejection Damages Bar Date to properly File a Proof of Claim for an Unscheduled Rejection Damages Claim. Absent a counterparty timely and properly Filing a Proof of Claim for such Unscheduled Rejection Damages Claim, the Scheduled amount of a Rejection Damages Claim shall be deemed assented to by all parties and shall be deemed such counterparty’s sole Allowed Claim arising from (i) the Debtor’s rejection of the applicable Unexpired Lease or (ii) an Affiliate Lease Guaranty.

Unless otherwise provided by a Final Order, Proofs of Claim either (i) disputing the Scheduled amount of a Scheduled Rejection Damages Claim or (ii) asserting a Rejection Damages Claim that has not been Scheduled (the Claims in the foregoing items (i) and (ii), collectively, “Unscheduled Rejection Damages Claims”) must be Filed with the Notice and Claims Agent by no later than the Rejection Damages Bar Date. Any Unscheduled Rejection Damages Claim for which a Proof of Claim is not timely Filed shall be (a) Disallowed and forever barred, estopped, and enjoined from assertion and (b) deemed fully satisfied, released, and discharged, notwithstanding any Proof of Claim to the contrary, in each case, without further order of the Bankruptcy Court. Any and all

Proofs of Claim for Unscheduled Rejection Damages Claims that are Filed shall be deemed Disputed and addressed pursuant to Article VII.A of the Plan. Upon entry of a Final Order by the Bankruptcy Court Allowing any Unscheduled Rejection Damages Claim, such Allowed Rejection Damages Claim shall be treated as a General Unsecured Claim pursuant to the terms of the Plan.

Article V.E (“Contracts and Leases Entered into After the Petition Date”) provides that contracts and leases entered into after the Petition Date by the Debtor, including any Executory Contracts and Unexpired Leases assumed by the Debtor, will be performed by such Debtor or Reorganized Debtor, as applicable, liable thereunder in the ordinary course of business. Accordingly, such contracts and leases (including any Executory Contracts and Unexpired Leases assumed or assumed and assigned pursuant to section 365 of the Bankruptcy Code) will survive and remain unaffected by entry of the Combined Order.

Article V.F (“Reservation of Rights”) is a reservation of the Debtor’s rights and provides that nothing contained in the Plan shall constitute an admission by the Debtor that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that the Reorganized Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption, the Debtor or Reorganized Debtor, as applicable, shall have thirty (30) days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease. If there is a dispute regarding the Debtor’s or Reorganized Debtor’s liability under an assumed Executory Contract or Unexpired Lease, the Reorganized Debtor shall be authorized to move to have such dispute heard by the Bankruptcy Court pursuant to Article X of the Plan.

Article V.G (“Directors and Officers Insurance Policies”) provides that on the Effective Date the Reorganized Debtor shall be deemed to have assumed all of the Debtor’s interest in the D&O Liability Insurance Policies (including any “tail policy” and all agreements, documents, or instruments related thereto), if any, in effect prior to the Effective Date pursuant to sections 105 and 365(a) of the Bankruptcy Code, without the need for any further notice to or action, order, or approval of the Bankruptcy Court. Confirmation of the Plan shall not discharge, impair, or otherwise modify any indemnity obligations assumed by the foregoing assumption of the Debtor’s interest in the D&O Liability Insurance Policies, and each such indemnity obligation will be deemed and treated as an Executory Contract that has been assumed by the Debtor under the Plan as to which no Proof of Claim need be Filed. The Debtor and, after the Effective Date, the Reorganized Debtor shall retain the ability to supplement any D&O Liability Insurance Policies as the Debtor or Reorganized Debtor, as applicable, may deem necessary. For the avoidance of doubt, entry of the Combined Order will constitute the Bankruptcy Court’s approval of the Reorganized Debtor’s foregoing assumption of the Debtor’s interest in any unexpired D&O Liability Insurance Policies.

In addition, on or after the Effective Date, the Reorganized Debtor shall not terminate or otherwise reduce the coverage under any D&O Liability Insurance Policies (including any “tail policy” and all agreements, documents, or instruments related thereto) in effect on or prior to the Effective Date, with respect to conduct occurring prior thereto, and all current and former directors, officers, and managers of the Debtor who served in such capacity at any time prior to the Effective Date shall be entitled to the full benefits of any such policies for the full term of such policies regardless of whether such current and former directors, officers, and managers remain in such positions after the Effective Date, all in accordance with and subject in all respects to the terms and conditions of the D&O Liability Insurance Policies, which shall not be altered.

Article V.H (“Indemnification Provisions and Reimbursement Obligations”) provides that on and as of the Effective Date, and except as prohibited by applicable law and subject to the limitations set forth in the Plan, the Indemnification Provisions will be assumed and irrevocable and will survive the effectiveness of the Plan. The Debtor shall not amend and/or restate its corporate governance documents before or after the Effective Date to terminate or adversely affect any of the Indemnification Provisions, or

any other provision with respect to the indemnification, defense, reimbursement, exculpation, and/or limitation of liability of, and advancement of fees and expenses to the Debtor's and the Reorganized Debtor's independent manager against any Claims or Causes of Action whether direct or derivative, liquidated or unliquidated, fixed or contingent, disputed or undisputed, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted.

E. Provisions Governing Distributions

Article VI of the Plan sets forth the mechanics by which Plan distributions will be made.

Article VI.A ("**Timing and Calculation of Amounts to Be Distributed**") provides that unless otherwise provided in the Plan, on the Effective Date (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim shall receive the full amount of the distributions that the Plan provides for Allowed Claims in the applicable Class; *provided* that any Allowed Administrative Claims with respect to liabilities incurred by the Debtor in the ordinary course of business during the Chapter 11 Case or assumed by the Debtor prior to the Effective Date shall be paid or performed in the ordinary course of business. The Debtor or Reorganized Debtor will fund distributions under the Plan with Cash on hand.

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

If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in Article VII of the Plan.

Article VI.B ("**Special Rules for Distributions to Holders of Disputed Claims**") provides that except as otherwise agreed by the relevant parties: (i) no partial payments and no partial distributions shall be made with respect to a Disputed Claim until all such disputes in connection with such Disputed Claim have been resolved by settlement or Final Order; and (ii) any Entity that holds both an Allowed Claim and a Disputed Claim shall not receive any distribution on the Allowed Claim unless and until all objections to the Disputed Claim have been resolved by settlement or Final Order or such Claims or Interests have been Allowed or expunged.

Article VI.C.1 ("**Rights and Powers of Distribution Agent – Powers of the Distribution Agent**") provides the Distribution Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Distribution Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Distribution Agent to be necessary and proper to implement the provisions of the Plan.

Article VI.C.2 ("**Rights and Powers of Distribution Agent – Expenses Incurred on or After the Effective Date and Indemnification**") provides that Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Distribution Agent on or after the Effective Date (including taxes), and any reasonable compensation and expense reimbursement Claims (including reasonable attorneys' fees and expenses), made by the Distribution Agent shall be paid in Cash by the Reorganized Debtor.

Article VI.D.1 (“**Delivery of Distributions – Record Date for Distributions**”) provides that on the Distribution Record Date, the Claims Register shall be closed and any party responsible for making distributions shall instead be authorized and entitled to recognize only those record Holders listed on the Claims Register as of the close of business on the Distribution Record Date.

Article VI.D.2 (“**Delivery of Distributions – Delivery of Distributions in General**”) provides that except as otherwise provided in the Plan, the Distribution Agent shall make distributions to Holders of Allowed Claims as of the Distribution Record Date, or, if applicable, to such Holder’s designee, as appropriate: (a) at the address for each such Holder as indicated on the Debtor’s records as of the Distribution Record Date; (b) to the signatory set forth on any Proof of Claim Filed (to the extent required by the Plan) by such Holder of an Allowed Rejection Damages Claim or other representative identified therein (or at the last known address of such Holder if no Proof of Claim is Filed or if the Debtor has not been notified in writing of a change of address); (c) at the address set forth in any written notices of address changes delivered to the Reorganized Debtor or the applicable Distribution Agent, as appropriate, after the date of any related Proof of Claim; or (d) on any counsel that has appeared in the Chapter 11 Case on the Holder’s behalf; *provided* that the manner of such distributions shall be determined at the discretion of the Reorganized Debtor.

Article VI.D.3 (“**Delivery of Distributions – Undeliverable Distributions**”) provides that in the event that any distribution to any Holder of Allowed Claims is returned as undeliverable, no distribution to such Holder shall be made unless and until the Distribution Agent has determined the then-current address of such Holder, at which time such distribution shall be made to such Holder without interest; *provided* that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of one year from the Effective Date. After such date, all unclaimed property or interests in property shall revert to the Reorganized Debtor automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal, provincial or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any Holder of Claims to such property or interest in property shall be discharged and forever barred.

Article VI.E (“**Compliance with Tax Requirements/Allocations**”) provides that in connection with the Plan, to the extent applicable, the Reorganized Debtor shall comply with all tax withholding and reporting requirements imposed on the Reorganized Debtor by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtor and the Distribution Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, including requiring as a condition to the receipt of a distribution, that the Holder of an Allowed Claim complete an IRS Form W-8 or W-9, as applicable. The Reorganized Debtor reserves the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support and other spousal awards, Liens, and encumbrances.

Article VI.F (“**Allocation of Distributions Between Principal and Interest**”) provides that except as otherwise required by law, distributions with respect to an Allowed Claim shall be allocated first to the principal portion of such Allowed Claim (as determined for United States federal income tax purposes) and, thereafter, to the remaining portion of such Allowed Claim, if any.

Article VI.G (“**Means of Cash Payment**”) provides that payments of Cash made pursuant to the Plan shall be in United States dollars and shall be made, at the option of the Debtor or the Reorganized Debtor (as applicable), by checks drawn on, or wire transfer from, a domestic bank selected by the Debtor or the Reorganized Debtor.

Article VI.H (“**Setoffs and Recoupment**”) provides that except as otherwise provided in the Plan, the Reorganized Debtor, pursuant to the Bankruptcy Code (including section 553 of the Bankruptcy Code), applicable bankruptcy or non-bankruptcy law, or as may be agreed to by the Holder of an Allowed Claim, may set off or recoup against any Allowed Claim and the distributions to be made pursuant to the Plan on account of such Allowed Claim, any Claims, rights, and Causes of Action of any nature that the Debtor or the Reorganized Debtor may hold against the Holder of such Allowed Claim, to the extent such Claims, rights, or Causes of Action have not been otherwise compromised, settled, or assigned on or prior to the Effective Date (whether pursuant to the Plan, a Final Order or otherwise); *provided* that neither the failure to effect such a setoff or recoupment nor the allowance of any Claim pursuant to the Plan shall constitute a waiver or release by the Reorganized Debtor of any such Claims, rights, and Causes of Action.

F. Allowance of Claims and Procedures for Resolving Disputed, Contingent, and Unliquidated Claims or Interests

Article VII of the Plan describes the procedures for resolving Disputed, contingent, and unliquidated Claims or Interests.

Article VII.A (“**Proofs of Claim**”) provides that notwithstanding section 502(a) of the Bankruptcy Code, Holders of Claims (other than Holders of Rejection Damages Claims, solely to the extent any such Holder asserts an Unscheduled Rejection Damages Claim need not File Proofs of Claim, and the Reorganized Debtor and the Holders of Claims shall determine, adjudicate, and resolve any disputes over the validity and amounts of such Claims in the ordinary course of business as if the Chapter 11 Case had not been commenced except that (unless expressly waived pursuant to the Plan) the Allowed amount of such Claims shall be subject to the limitations or maximum amounts permitted by the Bankruptcy Code, including sections 502 and 503 of the Bankruptcy Code, to the extent applicable. Upon the Effective Date, all Proofs of Claim Filed against the Debtor (other than timely Filed Proofs of Claim on account of Unscheduled Rejection Damages Claims), regardless of the time of filing, and including Proofs of Claim Filed after the Effective Date, shall be deemed withdrawn, expunged, and Disallowed without further action of the Debtor, other than as may be provided in the Plan. Notwithstanding anything in the Plan to the contrary, disputes regarding the amount of any Rejection Damages Claim shall in all cases be determined by the Bankruptcy Court.

For the avoidance of doubt, there is no requirement to File a Proof of Claim (or move the Bankruptcy Court for allowance) to be an Allowed Claim, as applicable, under the Plan, except to the extent the Holder of such Claim asserts an Unscheduled Rejection Damages Claim. **Except as otherwise provided in the Plan, all Proofs of Claim for asserting Rejection Damages that are Filed after the Rejection Damages Bar Date shall be Disallowed and forever barred, estopped, and enjoined from assertion, and shall not be enforceable against the Reorganized Debtor, without the need for any objection by the Reorganized Debtor or any further notice to or action, order, or approval of the Bankruptcy Court.**

The Reorganized Debtor shall reserve sufficient Cash to make an appropriate distribution on account of any Disputed Rejection Damages Claim as if that Rejection Damages Claim were an Allowed Rejection Damages Claim on the Effective Date; *provided*, that the amount of Cash reserved for a Disputed Rejection Damages Claim shall be the amount Scheduled for such Rejection Damages Claim. If and when any Disputed Rejection Damages Claim becomes an Allowed Rejection Damages Claim, the Debtor shall pay the Holder of such Rejection Damages Claim Cash sufficient to pay the Allowed amount of such Rejection Damages Claim in full from the Reorganized Debtor’s reserves. If a Disputed Rejection Damages Claim or any portion thereof becomes Disallowed, all reserved Cash attributable to such Disputed Rejection Damages Claim shall revert to the Reorganized Debtor automatically and without need for a further order by the Bankruptcy Court.

Article VII.B (“Allowance and Disallowance of Claims”) provides that after the Effective Date, and except as otherwise provided in the Plan, the Reorganized Debtor shall have and shall retain any and all available rights and defenses that the Debtor had with respect to any Claim immediately prior to the Effective Date, including the right to assert any objection to Claims based on the limitations imposed by section 502 of the Bankruptcy Code. The Debtor and the Reorganized Debtor may, but are not required to, contest the amount and validity of any Disputed Claim or contingent or unliquidated Claim in the ordinary course of business in the manner and venue in which such Claim would have been determined, resolved or adjudicated if the Chapter 11 Case had not been commenced.

All Claims and Interests of any Entity from which property is sought by the Debtor under sections 542, 543, 550, or 553 of the Bankruptcy Code or that the Debtor or the Reorganized Debtor alleges is a transferee of a transfer that is avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code shall be Disallowed if: (i) the Entity, on the one hand, and the Debtor or the Reorganized Debtor, as applicable, on the other hand, agree or the Bankruptcy Court has determined by Final Order that such Entity or transferee is liable to turn over any property or monies under any of the aforementioned sections of the Bankruptcy Code; and (ii) such Entity or transferee has failed to turn over such property by the date set forth in such agreement or Final Order.

Article VII.C (“Claims Administration Responsibilities”) provides that except as otherwise specifically provided in the Plan, after the Effective Date, the Reorganized Debtor shall have the sole authority: (1) to File, withdraw, or litigate to judgment, objections to Claims or Interests; (2) to settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court. For the avoidance of doubt, except as otherwise provided in the Plan, from and after the Effective Date, the Reorganized Debtor shall have and retain any and all rights and defenses such Debtor had immediately before the Effective Date with respect to any Disputed Claim, including the Causes of Action retained pursuant to the Plan.

Notwithstanding the foregoing, the Debtor and Reorganized Debtor shall be entitled to dispute and/or otherwise object to any General Unsecured Claim in accordance with applicable non-bankruptcy law. If the Debtor or Reorganized Debtor dispute any General Unsecured Claim, such dispute shall be determined, resolved, or adjudicated, as the case may be, in the manner as if the Chapter 11 Case had not been commenced; *provided*, that any disputes regarding the Allowance of a Rejection Damages Claim shall be determined by the Bankruptcy Court. In any action or proceeding to determine the existence, validity, or amount of any General Unsecured Claim, any and all claims or defenses that could have been asserted by the Debtor or the Entity holding such General Unsecured Claim are preserved as if the Chapter 11 Case had not been commenced.

Article VII.D (“Adjustments to Claims or Interests Without Objection”) provides that any duplicate Claim or Interest or any Claim or Interest that has been paid, satisfied, amended, or superseded may be adjusted or expunged on the Claims Register by the Reorganized Debtor without the Reorganized Debtor having to File an application, motion, complaint, objection, or any other legal proceeding seeking to object to such Claim or Interest and without any further notice to or action, order, or approval of the Bankruptcy Court, except that the Reorganized Debtor shall File a notice specifying the adjustment or expungement of the Claim (and the reason for the same) and serve such notice on the affected claimant.

Article VII.E (“Distributions After Allowance”) provides that to the extent that a Disputed Rejection Damages Claim ultimately becomes an Allowed Rejection Damages Claim, distributions (if any) shall be made to the Holder of such Allowed Rejection Damages Claim in accordance with the provisions of the Plan. As soon as reasonably practicable after the date that the order or judgment of the Bankruptcy

Court allowing any Disputed Rejection Damages Claim becomes a Final Order, the Reorganized Debtor shall provide to the Holder of such Rejection Damages Claim the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date.

G. Conditions Precedent to the Effective Date

Article VIII of the Plan sets forth the conditions precedent to the Effective Date and related matters.

The conditions precedent set forth at Article VIII.A of the Plan (“**Conditions Precedent to the Effective Date**”) include that:

1. The Bankruptcy Court or another court of competent jurisdiction shall have entered the Combined Order, and such order shall be a Final Order

2. All actions, documents, certificates, and agreements necessary to implement the Plan (including any Definitive Documents) shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable Governmental Units in accordance with applicable laws. All conditions precedent to the effectiveness of such documents and agreements shall have been satisfied or waived pursuant to the terms thereof (which may occur substantially concurrently with the occurrence of the Effective Date).

3. All authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate the Plan and the transactions contemplated in the Plan shall have been obtained and shall be in full force and effect, and all applicable regulatory or government-imposed waiting periods shall have expired or been terminated.

4. The Debtor shall have established the reserve for Disputed Rejection Damages Claims in accordance with Article VII.A of the Plan; and

5. The Debtor shall have paid in full all professional fees and expenses of the Retained Professionals that require the Bankruptcy Court’s approval or amounts sufficient to pay such fees and expenses after the Effective Date shall have been placed in escrow pending the Bankruptcy Court’s approval of such fees and expenses.

Article VIII.B (“**Waiver of Conditions**”) provides that subject to section 1127 of the Bankruptcy Code, the conditions to Confirmation and consummation of the Plan set forth in this Article VIII may be waived by the Debtor without notice, leave or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate the Plan; *provided* that the conditions set forth in Article VIII.A.6 may be waived by only the Debtor with the consent of the affected Retained Professionals. The failure of the Debtor or Reorganized Debtor to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each right shall be deemed an ongoing right that may be asserted at any time.

Article VIII.C (“**Effect of Non-Occurrence of Conditions to the Effective Date**”) addresses the effect of non-occurrence of the Effective Date. It provides that if the Confirmation or the consummation of the Plan does not occur, then the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (i) constitute a waiver or release of any claims by, Claims against, or Interests in the Debtor; (ii) prejudice in any manner the rights of the Debtor, any Holders or any other Person or Entity; (iii) constitute an Allowance of any Claim or Interest; or (iv) constitute an admission, acknowledgment, offer or undertaking by the Debtor, any Holders or any other Person or Entity in any respect.

Article VIII.D (“**Substantial Consummation**”) provides that “Substantial consummation” of the Plan, as defined in section 1102(2) of the Bankruptcy Code, shall be deemed to occur on the Effective Date.

H. Discharge, Release, Injunction, and Related Provisions

Article IX of the Plan addresses releases, injunctions, exculpatory provisions and related provisions, which are highlighted below: *Discharge of Claims* (Article IX.A); *Releases by the Debtor* (Article IX.B); *Releases by Holders of Claims and Interests* (Article IX.C); *Exculpation* (Article IX.D); and *Permanent Injunction* (Article IX.E).

Article IX.C of the Plan contains a Claimant Release by all Releasing Parties. Pursuant to Article IX.C of the Plan, the following are deemed to grant a Claimant Release: (a) each Non-Debtor Affiliate; (b) each Holder of a Claim or Interest that (i) does not timely File with the Bankruptcy Court on the docket of the Chapter 11 Case an objection to the Plan on the basis of the Claimant Release, (ii) Files such an objection that is consensually resolved with the Debtor on terms providing for such Holder to be a Releasing Party or that is withdrawn before Confirmation, or (iii) Files an objection that is thereafter overruled by the Bankruptcy Court; and (c) each Related Party of each Entity in clause (a) through (b) each in its capacity as such and to the fullest extent it would be obligated to release its claims under the principles of agency if so directed by the Entity in clause (a) through (b) to whom it relates; *provided*, that in each case, an Entity shall not be a Releasing Party if it elects to opt out of the Releases.

The following definitions are important to understanding the scope of the releases being given under the Plan:

“**Exculpated Party**” means, in each case in its capacity as such, the Debtor, the Debtor’s independent manager, and the Debtor’s Retained Professionals

“**Released Parties**” means, collectively, each of, and in each case in its capacity as such: (a) the Debtor; (b) the Reorganized Debtor; (c) each Non-Debtor Affiliate; (d) each of the Debtor’s and Non-Debtor Affiliates’ current and former directors, officers, managers, and proxyholders; (e) each Releasing Party; and (f) each Related Party of each Entity in clause (a) through (f); *provided*, that in each case, an Entity shall not be a Released Party if it (i) timely Files with the Bankruptcy Court on the docket of the Chapter 11 Case an objection to the Plan on the basis of the Claimant Release that is not resolved before Confirmation or (ii) elects to opt out of the Releases.

“**Releasing Parties**” means, collectively, each of, and in each case in its capacity as such: (a) each Non-Debtor Affiliate; (b) each Holder of a Claim or Interest that (i) does not timely File with the Bankruptcy Court on the docket of the Chapter 11 Case an objection to the Plan on the basis of the Claimant Release, (ii) Files such an objection that is consensually resolved with the Debtor on terms providing for such Holder to be a Releasing Party or that is withdrawn before Confirmation, or (iii) Files an objection that is thereafter overruled by the Bankruptcy Court; and (c) each Related Party of each Entity in clause (a) through (b) each in its capacity as such and to the fullest extent it would be obligated to release its claims under the principles of agency if so directed by the Entity in clause (a) through (b) to whom it relates; *provided*, that in each case, an Entity shall not be a Releasing Party if it elects to opt out of the Releases.

1. Discharge of Claims (Article IX.A)

Pursuant to and to the fullest extent permitted by section 1141(d) of the Bankruptcy Code, the distributions, rights, and treatment that are provided in the Plan shall be in full and final satisfaction, settlement, release, and discharge, effective as of the Effective Date, of Claims, Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the

Petition Date, whether known or unknown, against, liabilities of, demands against, Liens on, obligations of, or rights against the Debtor or any of its assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtor prior to the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (i) a Proof of Claim based upon such debt or right is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (ii) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (iii) the Holder of such a Claim or Interest has accepted the Plan. The Combined Order shall be a judicial determination of the discharge of all Claims and Interests subject to the occurrence of the Effective Date.

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good-faith compromise of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a Holder of a Claim or Interest may have with respect to any Allowed Claim or Interest or any distribution to be made on account of such Allowed Claim or Interest. The entry of the Combined Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests, and controversies as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Debtor, its Estate, and Holders of Claims and Interests and is fair, equitable, and reasonable. In accordance with the provisions of the Plan, pursuant to Bankruptcy Rule 9019, without any further notice to or action, order, or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Debtor may compromise and settle Claims against the Debtor and its Estate and Causes of Action against other Entities.

2. Releases by the Debtor (Article IX.B)

Except as otherwise expressly set forth in the Plan or the Combined Order, pursuant to section 1123(b) of the Bankruptcy Code, as of the Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Released Party, and its respective successors, assigns, and Related Parties, is and is deemed to be forever and unconditionally released, absolved, acquitted, and discharged by the Debtor, its Estate, and the Reorganized Debtor, in each case on behalf of itself 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 Debtor, its Estate, and the Reorganized Debtor, from any and all Claims and Causes of Action, whether known or unknown, including any derivative claims asserted or assertable on behalf of the Debtor, its Estate, or the Reorganized Debtor that such Entities would have been legally entitled to assert in their own right (whether individually or collectively) or that any Holder of any Claim against, or Interest in, a Debtor or other Entity, could assert on behalf of the Debtor, its Estate, and the Reorganized Debtor, based on or relating to, or in any manner arising from, in whole or in part, (i) the management, ownership, or operation of the Debtor or the Non-Debtor Affiliates; (ii) the purchase, sale, or rescission of any security of the Debtor or the Non-Debtor Affiliates; (iii) the subject matter of, or the transactions, events, circumstances, acts or omissions giving rise to, any Claim or Interest that is treated in the Plan, including the negotiation, formulation, or preparation of any transaction related to effectuating the Plan; (iv) the business or contractual arrangements between the Debtor or any Non-Debtor Affiliate and any other Entity; (v) the Debtor's and Non-Debtor Affiliates' in- or out-of-court restructuring efforts; (vi) intercompany transactions; (vii) the Definitive Documents, the Chapter 11 Case, the DIP Facility, or any transaction related to effectuating the Plan; (viii) any contract, instrument, release, or other agreement or document created or entered into in connection with the

Definitive Documents, or any transaction related to effectuating the Plan; (ix) the distribution, including any disbursements made by a Distribution Agent, of property under the Plan or any other related agreement; or (x) any other act or omission, transaction, agreement, event, or other occurrence related to any of the foregoing and taking place on or before the Effective Date; *provided*, that the Debtor does not release Claims or Causes of Action arising out of, or related to, any act or omission of a Released Party that is determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction to have constituted actual fraud, gross negligence, or willful misconduct. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (a) any post Effective Date obligations of any party or Entity under the Plan, the Combined Order, any other Definitive Document, any transaction related to effectuating the Plan, any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, or any Claim or obligation arising under the Plan or (b) any Causes of Action specifically retained by the Debtor pursuant to the Schedule of Retained Causes of Action.

Entry of the Combined 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: (i) in exchange for the good and valuable consideration provided by each of the Released Parties, including the Released Parties' substantial contributions to implementing the Plan and facilitating any related transaction; (ii) a good-faith settlement and compromise of the Claims released by the Debtor Release; (iii) in the best interests of the Debtor and all Holders of Claims and Interests; (iv) fair, equitable, and reasonable; (v) given and made after due notice and opportunity for hearing; and (vi) a bar to any of the Debtor, the Reorganized Debtor, or the Debtor's Estate asserting any Claim or Cause of Action released pursuant to the Debtor Release.

3. Releases by Holders of Claims and Interests (IX.C)

Except as otherwise expressly set forth in the Plan or the Combined Order, as of the Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Releasing Party, in each case on behalf of itself and its respective successors, assigns, and Related Parties, 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, has and is deemed to have, forever and unconditionally (x) released, absolved, acquitted, and discharged the Debtor and the Reorganized Debtor and (y) released absolved, and acquitted every other Released Party from any and all Claims and Causes of Action, whether known or unknown, including any derivative claims asserted or assertable on behalf of the Debtor, its Estate, or the Reorganized Debtor that such Entities 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, could assert on behalf of the Debtor, its Estate, and the Reorganized Debtor, based on or relating to, or in any manner arising from, in whole or in part, (i) the management, ownership, or operation of the Debtor or the Non-Debtor Affiliates; (ii) the purchase, sale, or rescission of any security of the Debtor or the Non-Debtor Affiliates; (iii) the subject matter of, or the transactions, events, circumstances, acts or omissions giving rise to, any Claim or Interest that is treated in the Plan, including the negotiation, formulation, or preparation of any transaction related to effectuating the Plan; (iv) the business or contractual arrangements between the Debtor or any Non-Debtor Affiliate and any other Entity; (v) the Debtor and Non-Debtor Affiliates' in- or out-of-court restructuring efforts; (vi) intercompany transactions; (vii) the Definitive Documents, the Chapter 11 Case, the DIP Facility, or any transaction related to effectuating the Plan; (viii) any contract, instrument, release, or other agreement or document created or entered into in connection with the Definitive Documents or any transaction related to effectuating the Plan; (ix) the distribution, including any disbursements made by a Distribution Agent, of property under the Plan or any other related agreement; or (x) any

other act or omission, transaction, agreement, event, or other occurrence related to any of the foregoing and taking place on or before the Effective Date; *provided*, that the Releasing Parties do not release Claims or Causes of Action arising out of, or related to, any act or omission of a Released Party that is determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction to have constituted actual fraud, gross negligence, or willful misconduct; *provided further*, that the foregoing “Claimant Releases” shall not operate to waive or release any Cause of Action of any Releasing Party against a Released Party arising from any obligations owed to the Releasing Party that is wholly unrelated to the Debtor or the Reorganized Debtor. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (a) any post Effective Date obligations of any party or Entity under the Plan, the Combined Order, any other Definitive Document, any transaction related to effectuating the Plan, any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, or any Claim or obligation arising under the Plan or (b) any Causes of Action specifically retained by the Debtor pursuant to the Schedule of Retained Causes of Action.

Entry of the Combined Order shall constitute the Bankruptcy Court’s approval, pursuant to Bankruptcy Rule 9019, of the Claimant 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 Claimant Release is: (i) consensual; (ii) essential to the confirmation of the Plan; (iii) given in exchange for the good and valuable consideration provided by each of the Released Parties, including the Released Parties’ substantial contributions to implementing the Plan and facilitating any related transaction; (iv) a good-faith settlement and compromise of the Claims released by the Claimant Release; (v) in the best interests of the Debtor and its Estate; (vi) fair, equitable, and reasonable; (vii) given and made after due notice and opportunity for hearing; and (viii) a bar to any of the Releasing Parties asserting any Claim or Cause of Action released pursuant to the Claimant Release.

4. Exculpation (IX.D)

Effective as of the Effective Date, the Exculpated Parties shall neither have nor incur any liability to any Person or Entity for any Claims or Causes of Action or for any act taken or omitted to be taken on or after the Petition Date and prior to or on the Effective Date in connection with, or related to, (i) the administration of the Chapter 11 Case; (ii) commencement of the Chapter 11 Case; (iii) pursuit of Confirmation; (iv) negotiation, preparation, and consummation of the Plan; (v) making distributions under the Plan; (vi) the Disclosure Statement; (vii) Confirmation of the Plan; (viii) the occurrence of the Effective Date; (ix) the administration of the Plan or the property to be distributed under the Plan; (x) the retention of Interests under or in connection with the Plan; or (xi) the transactions or documentation in furtherance of any of the foregoing, including any postpetition, pre-Effective Date act taken or omitted to be taken in connection with or in contemplation of any restructuring of the Debtor, the approval of the Disclosure Statement or Confirmation or consummation of the Plan; *provided*, that the foregoing provisions of this exculpation shall not operate to waive or release: (a) any Causes of Action arising from willful misconduct, actual fraud, or gross negligence of such applicable Exculpated Party as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction; and/or (b) the rights of any Person or Entity to enforce the Plan and the contracts, instruments, releases, indentures, and other agreements and documents delivered under or in connection with the Plan or assumed pursuant to the Plan or Final Order of the Bankruptcy Court; *provided*, further, that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning its respective duties pursuant to, or in connection with, the above referenced documents, actions or inactions. The foregoing exculpation shall be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote,

consent, authorization or approval of any Person. Notwithstanding the foregoing, nothing in this section shall or shall be deemed to prohibit the Debtor from asserting and enforcing any Claims, obligations, suits, judgments, demands, debts, rights, Causes of Action or liabilities they may have against any Person that is based upon an alleged breach of a confidentiality or non-compete obligation owed to the Debtor, in each case unless otherwise expressly provided for in the Plan. This exculpation will be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable law or rules protecting such Exculpated Parties from liability.

5. Permanent Injunction (IX.E)

Except as otherwise provided in the Plan or the Combined Order, all Entities who have held, hold, or may hold Claims, Interests, Causes of Action, or liabilities that: (a) are compromised or settled under the Plan (including pursuant to Articles II and III of the Plan); (b) have been released pursuant to the Plan; (c) are subject to exculpation pursuant to the Plan (but only to the extent of the exculpation provided in the Plan), or (d) are otherwise satisfied, stayed or terminated pursuant to the terms of the Plan, are permanently enjoined and precluded, on and after the Effective Date, from: (i) commencing, conducting or continuing in any manner, directly or indirectly, any action or other proceeding of any kind (including any proceeding in a judicial, arbitral, administrative or other forum) on account of any such Claims, Interests, Causes of Action, or liabilities against the Debtor or its successors or any Entity released or exculpated (or the property or estate of any such Entity); (ii) enforcing, levying, attaching (including any pre-judgment attachment), collecting or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree or order on account of any such Claims, Interests, Causes of Action, or liabilities against the Debtor or any Entity released or exculpated, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Entities, or any property of any such transferee or successor; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind on account of any such Claims, Interests, Causes of Action, or liabilities against the Debtor or any Entity released or exculpated, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Entities, or any property of any such transferee or successor; or (iv) asserting any right of setoff, subrogation, or recoupment of any kind on account of any such Claims, Interests, Causes of Action, or liabilities against any obligation due from such Entities (including the Debtor or its successors) or against the property of such Entities including the Debtor or its successors unless such Entity has Filed a motion requesting the right to perform such setoff on or before the Effective Date or has Filed a Proof of Claim or proof of Interest indicating that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise.

ANY ENTITY OTHERWISE INCLUDED AS A RELEASING PARTY UNDER THE PLAN MAY OPT OUT OF SUCH RELEASE BY TIMELY FILING A PLAN OBJECTION OBJECTING TO THE PLAN BASED ON THE CLAIMANT RELEASE. EACH SUCH OBJECTING PARTY WILL NO LONGER BE A “RELEASING PARTY” NOR A “RELEASED PARTY” UNDER THE PLAN AND WILL NEITHER GRANT THE CLAIMANT RELEASE PURSUANT TO THE PLAN NOR BE RELEASED FROM ANY CLAIMS THAT MIGHT BE ASSERTED AGAINST IT.

V.

CONFIRMATION OF THE PLAN

A. Combined Hearing

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court to hold a confirmation hearing upon appropriate notice to all required parties. The Combined Hearing may be adjourned from

time to time by the Bankruptcy Court without further notice except for the announcement of the continuation date made at the Combined Hearing, at any subsequent continued Combined Hearing or confirmation hearing, or pursuant to a notice filed on the docket for the Chapter 11 Case.

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to the confirmation of a plan. Any objection to confirmation of the Plan must be in writing, must conform to the Bankruptcy Rules and the Local Rules, must set forth the name of the objector, the nature and amount of Claims or Interests held or asserted by the objector against the Debtor’s estate or properties, the basis for the objection and the specific grounds therefor, and must be filed with the Bankruptcy Court, together with proof of service thereof, and served upon all of the below parties together with counsel to any statutory committee appointed in the Chapter 11 Case:

Counsel to the Debtor
Richards, Layton & Finger, P.A. One Rodney Square 920 N. King Street Wilmington, Delaware 19801 Attn: Mark Collins, Michael Merchant, and Amanda Steele
United States Trustee
Office of the United States Trustee for the District of Delaware 844 King Street, Suite 2207 Wilmington, Delaware 19801 Attn: Benjamin Hackman

B. Confirmation

At the Combined Hearing, the Bankruptcy Court will determine whether the requirements of section 1129 of the Bankruptcy Code have been satisfied with respect to the Plan.

1. Confirmation Requirements

Confirmation of a chapter 11 plan under section 1129(a) of the Bankruptcy Code requires, among other things, that:

- the plan complies with the applicable provisions of the Bankruptcy Code;
- the proponent of the plan has complied with the applicable provisions of the Bankruptcy Code;
- the plan has been proposed in good faith and not by any means forbidden by law;
- any plan payment made or to be made by the proponent under the plan for services or for costs and expenses in, or in connection with, the chapter 11 case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of, the Bankruptcy Court as reasonable;
- the proponent has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the

debtor participating in the plan with the debtor, or a successor to the debtor under the plan. The appointment to, or continuance in, such office by such individual must be consistent with the interests of creditors and equity security holders and with public policy and the proponent must have disclosed the identity of any insider that the reorganized debtor will employ or retain, and the nature of any compensation for such insider;

- with respect to each impaired class of claims or interests, either each holder of a claim or interest of such class has accepted the plan, or will receive or retain under the plan, on account of such claim or interest, property of a value, as of the effective date of the plan, that is not less than the amount that such holder would receive or retain if the debtor were liquidated on such date under chapter 7 of the Bankruptcy Code;
- subject to the “cramdown” provisions of section 1129(b) of the Bankruptcy Code, each class of claims or interests has either accepted the plan or is not impaired under the plan;
- except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides that allowed administrative expenses and priority claims will be paid in full on the effective date (except that holders of priority tax claims may receive deferred Cash payments of a value, as of the effective date of the plan, equal to the allowed amounts of such claims and that holders of priority tax claims may receive on account of such claims deferred Cash payments, over a period not exceeding 5 years after the date of assessment of such claims, of a value, as of the effective date, equal to the allowed amount of such claims);
- if a class of claims is impaired, at least one (1) impaired class of claims has accepted the plan, determined without including any acceptance of the plan by any insider holding a claim in such class; and
- confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

The Debtor believes that:

- the Plan satisfies all of the statutory requirements of chapter 11 of the Bankruptcy Code;
- the Debtor, as the proponent of the Plan, has complied or will have complied with all of the requirements of chapter 11 of the Bankruptcy Code; and
- the Plan has been proposed in good faith.

2. Acceptance Requirements; No Need to Solicit Votes

Pursuant to the Bankruptcy Code, only classes of claims against or interests of a debtor that are “impaired” (within the meaning of section 1124 of the Bankruptcy Code) under the terms and provisions of a plan of reorganization or liquidation are entitled to vote to accept or reject a plan. A class is “impaired” if the legal, equitable, or contractual rights attaching to the claims or interests of that class are modified by the plan, other than by curing defaults and reinstating maturity. Classes of claims and interests that are not impaired by a plan are not entitled to vote on such plan and, under section 1126(f) of the Bankruptcy Code, are conclusively presumed to have accepted such plan. Article I.B of this Disclosure Statement provides a summary of the classification and treatment of Claims and Interests under the Plan.

Under the Plan, all holders of Claims and Interests are Unimpaired and therefore are deemed to have accepted the Plan and not entitled to vote to accept or reject the Plan.

3. Feasibility

Section 1129(a)(11) of the Bankruptcy Code requires that a debtor demonstrate that confirmation of a plan is not likely to be followed by liquidation or the need for further financial reorganization of the Debtor or any successor to the Debtor. For purposes of determining whether the Plan meets this requirement, the Debtor has analyzed its ability to meet its obligations under the Plan and retain sufficient liquidity and capital resources to conduct its business. The Debtor will fund distributions under the Plan with Cash on hand and receivables.

4. Best Interests Test

As described above, section 1129(a)(7) of the Bankruptcy Code (often referred to as the “Best Interests Test”) requires that each holder of an impaired claim or interest either (a) accept the plan or (b) receive or retain under the plan, as of the effective date thereof, property of a value that is not less than the value such holder would receive if the debtor were liquidated under chapter 7 of the Bankruptcy Code.

No Claims or Interests are Impaired under the Plan. Accordingly, the Best Interests Test is not applicable.

C. Classification of Claims and Interests

The Debtor believes that the Plan complies with the classification requirements of the Bankruptcy Code, which require that a chapter 11 plan place each claim and interest into a class with other claims or interests that are “substantially similar.”

D. Consummation

The Plan will be consummated on the Effective Date. The Effective Date will occur on the first Business Day on which the conditions precedent to the effectiveness of the Plan (*see Article IV.G* hereof and *Article VIII* of the Plan) have been satisfied or waived pursuant to the Plan. The Plan is to be implemented pursuant to its terms, consistent with the provisions of the Bankruptcy Code.

E. Exemption from Certain Transfer Taxes and Recording Fees

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code, any transfer from the Debtor to the Reorganized Debtor or to any Entity pursuant to, in contemplation of, or in connection with the Plan or pursuant to (i) the issuance, distribution, transfer, or exchange of any debt, securities, or other interest in the Debtor or the Reorganized Debtor, (ii) the creation, modification, consolidation, or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means, (iii) the making, assignment, or recording of any lease or sublease, or (iv) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan, shall not be subject to any United States federal, state, or local document recording tax, stamp tax, conveyance fee, intangibles, or similar tax, mortgage tax, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, and the appropriate United States state or local governmental officials or agents shall forego the collection of any such tax or governmental assessment and accept for filing and recordation

any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

F. Modification of Plan

Subject to the limitations contained in the Plan, the Debtor or Reorganized Debtor reserves the right to, in accordance with the Bankruptcy Code and the Bankruptcy Rules: (i) amend or modify the Plan prior to the entry of the Combined Order, including amendments or modifications to satisfy section 1129(b) of the Bankruptcy Code; (ii) amend or modify the Plan after the entry of the Combined Order in accordance with section 1127(b) of the Bankruptcy Code upon order of the Bankruptcy Court; and (iii) remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan upon order of the Bankruptcy Court.

G. Effect of Confirmation on Modifications

Entry of the Combined Order shall mean that all modifications or amendments to the Plan are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure under Bankruptcy Rule 3019.

H. Revocation of Plan; Reservation of Rights If Effective Date Does Not Occur

Subject to the conditions to the Effective Date, the Debtor reserves the right to revoke or withdraw the Plan prior to the entry of the Combined Order and to File subsequent Plans of reorganization. If the Debtor revokes or withdraws the Plan, or if entry of the Combined Order or the Effective Date does not occur, then: (i) the Plan shall be null and void in all respects; (ii) any settlement or compromise embodied in the Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant hereto shall be deemed null and void; and (iii) nothing contained in the Plan shall (a) constitute a waiver or release of any Claims by or against, or any Interest in, the Debtor or any other Entity, (b) prejudice in any manner the rights of the Debtor or any other Entity, or (c) constitute an admission of any sort by the Debtor or any other Entity.

I. Post-Confirmation Retention of Jurisdiction of the Bankruptcy Court

Notwithstanding the entry of the Combined Order and the occurrence of the Effective Date, except to the extent set forth herein or under applicable federal law, the Bankruptcy Court shall retain jurisdiction over all matters arising out of, or related to, the Chapter 11 Case and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code and as set forth in Article X of the Plan, including jurisdiction to:

- allow, disallow, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the secured or unsecured status, priority, amount, or allowance of Claims or Interests;
- decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Retained Professionals authorized pursuant to the Bankruptcy Code or the Plan;
- resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which the Debtor is party with respect to which the Debtor may be liable and to hear, determine, and, if necessary, liquidate, any

Cure Costs or Rejection Damages arising therefrom, including pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; and (c) any dispute regarding whether a contract or lease is or was executory or expired;

- ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Plan and the Combined Order;
- adjudicate, decide, or resolve any motions, adversary proceedings, contested, or litigated matters, and any other matters, and grant or deny any applications involving the Debtor that may be pending on the Effective Date;
- adjudicate, decide, or resolve any and all matters related to Causes of Action;
- adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;
- resolve any cases, controversies, suits, or disputes that may arise in connection with any Claims, including claim objections, allowance, disallowance, estimation, and distribution;
- enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan, the Combined Order, and all contracts, instruments, releases, and other agreements or documents created in connection with the Plan, the Combined Order, or the Disclosure Statement;
- enter and enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;
- resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the interpretation or enforcement of the Plan, the Combined Order, or any contract, instrument, release or other agreement or document that is entered into or delivered pursuant to the Plan or the Combined Order, or any Entity's rights arising from or obligations incurred in connection with the Plan or the Combined Order;
- issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with enforcement of the Plan or the Combined Order;
- resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the releases, injunctions, and other provisions contained in the Plan and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;
- resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim for amounts not timely repaid;
- enter and implement such orders as are necessary or appropriate if the Combined Order is for any reason modified, stayed, reversed, revoked, or vacated;

- determine any other matters that may arise in connection with or relate to the Plan, this Disclosure Statement, the Combined Order, or any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan, the Combined Order, or this Disclosure Statement;
- enter an order or final decree concluding or closing the Chapter 11 Case;
- consider any modification of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Combined Order;
- determine requests for payment of Claims and Interests entitled to priority pursuant to section 507 of the Bankruptcy Code;
- hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Combined Order, including disputes arising under agreements, documents, or instruments executed in connection with the Plan;
- hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;
- hear and determine all disputes involving the existence, nature, or scope of the Debtor's discharge;
- hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the releases, injunctions, and exculpations provided under Article IX of the Plan;
- resolve any disputes concerning whether a Person had sufficient notice of the Chapter 11 Case or this Disclosure Statement, in each case for the purpose of determining whether a Claim or Interest is discharged under the Plan or for any other purpose;
- enforce all orders previously entered by the Bankruptcy Court; and
- hear any other matter over which the Bankruptcy Court has jurisdiction.

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 Case, including the matters set forth in Article X of the Plan, the provisions of Article X of the Plan shall have no effect on and shall not control, limit, or prohibit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

Notwithstanding anything to the contrary in the Plan, the Bankruptcy Court's jurisdiction to hear and determine disputes concerning Claims against or Interests in the Debtor that arose prior to the Effective Date, including any Claims based in whole or in part on any conduct of the Debtor occurring on or before the Effective Date, shall be non-exclusive.

VI.

ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Debtor has determined that the Plan affords Holders of Claims and Interests the greatest realization on the Debtor's assets and, therefore, is in the best interests of Holders of Claims and Interests.

If the Plan is not confirmed and consummated, the theoretical alternatives to the Plan are (a) continuation of the Chapter 11 Case, which delay may result in the Debtor not having sufficient funds to pay all Allowed Claims in full and all DIP Loans becoming immediately due and payable, whereupon the DIP Lender would have an Administrative Claim for such amount, (b) liquidation of the Debtor under chapter 7 of the Bankruptcy Code, or (c) dismissal of the Chapter 11 Case, leaving Holders of Claims and Interests to pursue available non-bankruptcy remedies. These alternatives to the Plan are not likely to benefit Holders of Claims and Interests.

A. Continuation of Chapter 11 Case

Since the Plan is designed to distribute a relatively fixed sum of Cash, continuing the Chapter 11 Case would serve no purpose other than increasing costs to the Estate and reducing recoveries to holders of Claims or Interests. In such case, the Debtor expects that recoveries to its stakeholders would be diminished relative to those available under the Plan.

B. Liquidation under Chapter 7

If no plan can be confirmed, the Chapter 11 Case may be converted to a case under chapter 7 of the Bankruptcy Code in which a trustee would be elected or appointed to liquidate the assets of the Debtor for distribution to its creditors in accordance with the priorities established by the Bankruptcy Code. The Debtor believes that in liquidation under chapter 7 the additional administrative expenses involved in the appointment of a trustee or trustees and attorneys, accountants and other professionals to assist such trustee(s) would cause a substantial diminution in the value of the Estate. The assets available for distribution to Holders of Claims and Interests would be reduced by such additional expenses and by claims, some of which would be entitled to priority, which would arise by reason of the liquidation, and such Holders likely would receive less than the 100% recovery they are projected to receive under the Plan.

C. Dismissal of Chapter 11 Case

If the Chapter 11 Case were dismissed, Holders of Claims or Interests would be free to pursue non-bankruptcy remedies in their attempts to satisfy Claims against or Interests in the Debtor. However, in that event, Holders of Claims or Interests would be faced with the costs and difficulties of attempting, each on its own, to recover from the Debtor. Accordingly, the Debtor believes that the Plan will enable all creditors to realize the greatest possible recovery on their respective Claims with the least delay.

VII.

PLAN-RELATED RISK FACTORS

The following provides a summary of important considerations and risk factors associated with the Plan. However, it is not exhaustive. Holders of Claims against and Interests in the Debtor should read and carefully consider the factors set forth below in addition to the other information contained in this Disclosure Statement.

A. Certain Bankruptcy Law Considerations

1. General

While the Debtor believes that the Chapter 11 Case will be of short duration, the Debtor cannot be certain that this will be the case. Although the Plan is designed to minimize the duration of the Chapter 11 Case, it is impossible to predict with certainty the amount of time that the Debtor may spend in bankruptcy or to assure parties in interest that the Plan will be confirmed. Moreover, the Debtor is subject to the risks

and uncertainties associated with bankruptcy, including, without limitation: the Debtor's ability to obtain Bankruptcy Court approval with respect to motions filed in the Chapter 11 Case from time to time; the Debtor's ability to develop, prosecute, confirm, and consummate the proposed Plan; and the Debtor's ability to meet all conditions precedent to the Effective Date of the Plan.

2. Risk of Non-Approval of the Disclosure Statement

This Disclosure Statement has not been approved by the Bankruptcy Court as containing "adequate information" within the meaning of section 1125(a) of the Bankruptcy Code. While the Debtor does not believe approval of the Disclosure Statement is necessary and believes that, to the extent such approval is necessary, the Disclosure Statement contains "adequate information" within the meaning of section 1125(a), there can be no assurance that the Bankruptcy Court will reach the same conclusion.

3. Risk of Non-Confirmation of Plan

Although the Debtor believes that the Plan will satisfy all requirements necessary for confirmation by the Bankruptcy Court, there can be no assurance that the Bankruptcy Court will reach the same conclusion or that modification to the Plan will not be required for confirmation. If the Plan is not confirmed, it is unclear what distributions Holders of Claims ultimately would receive with respect to their Claims in a subsequent plan of reorganization or otherwise. In particular, the DIP Lender (which is anticipated to be the sole Holder of DIP Claims) has agreed (a) to provide the DIP Loan on an unsecured basis and (b) that the DIP Loan shall be entitled to administrative expense priority, but, on the effective date of the Plan, all unpaid obligations under the DIP Loan, including accrued and unpaid interest, shall automatically be converted to membership interests in the Reorganized Debtor and the DIP Lender shall not be entitled to any other distributions under the Plan on account of such obligations.

4. Risks Related to Possible Objections to the Plan

There is a risk that certain parties could oppose and object to either the entirety of the Plan or specific provisions of the Plan. Although the Debtor believes that the Plan complies with all relevant Bankruptcy Code provisions, there can be no guarantee that a party in interest will not file an objection to the Plan or that the Bankruptcy Court will not sustain such an objection.

5. Releases, Injunctions, Exculpation Provisions May Not Be Approved

Article IX of the Plan provides for certain releases, injunctions, and exculpations for claims and Causes of Action that may otherwise be asserted against the Debtor, the Reorganized Debtor, the Exculpated Parties, or the Released Parties, as applicable. The releases, injunctions, and exculpations provided in the Plan are subject to objection by parties in interest and may not be approved. If the releases and exculpations are not approved, certain parties may not be considered Releasing Parties, Released Parties, or Exculpated Parties, and certain Released Parties or Exculpated Parties may withdraw their support for the Plan.

6. Risk of Non-Occurrence of Effective Date

There can be no assurance as to the timing of the Effective Date. If the conditions precedent to the Effective Date set forth in the Plan have not occurred or have not been waived as set forth in Article VIII of the Plan, then the Combined Order may be vacated, in which event no distributions would be made under the Plan, the Debtor and all Holders of Claims or Interests would be restored to the status quo as of the day immediately preceding the Confirmation Date, and the Debtor's obligations with respect to Claims and Interests would remain unchanged.

7. Conversion into Chapter 7 Case

If no plan of reorganization can be confirmed, or if the Bankruptcy Court otherwise finds that it would be in the best interest of Holders of Claims and Interests, the Chapter 11 Case may be converted to a case under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be appointed to liquidate the Debtor's assets for distribution in accordance with the priorities established by the Bankruptcy Code.

8. Amendment of Plan by Debtor Prior to Confirmation

The Debtor, subject to the terms and conditions of the Plan, reserves the right to modify the terms and conditions of the Plan or waive any conditions thereto if and to the extent necessary or desirable for confirmation. The potential impact of any such amendment or waiver on Holders of Claims and Interests cannot presently be foreseen but may include a change in the economic impact of the Plan on some or all of the proposed Classes or a change in the relative rights of such Classes.

B. Additional Factors

1. The Debtor Could Withdraw the Plan

Subject to, and without prejudice to, the rights of any party in interest, the Plan may be revoked or withdrawn before the Confirmation Date by the Debtor.

2. The Debtor Has No Duty to Update

The statements contained in this Disclosure Statement are made by the Debtor as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has been no change in the information set forth herein since that date. Additionally, the Debtor has no duty to update this Disclosure Statement unless otherwise ordered to do so by the Bankruptcy Court.

3. No Representations Outside This Disclosure Statement Are Authorized

No representations concerning or related to the Debtor, the Chapter 11 Case, or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement. Any such representations should not be relied upon for any purpose.

4. No Legal or Tax Advice Is Provided by This Disclosure Statement

THE CONTENTS OF THIS DISCLOSURE STATEMENT SHOULD NOT BE CONSTRUED AS LEGAL, BUSINESS, OR TAX ADVICE. Each Holder of a Claim or Interest should consult its own legal counsel and accountant as to legal, tax, and other matters concerning its Claim or Interest.

5. No Admission Made

Nothing contained herein or in the Plan shall constitute an admission of, or shall be deemed evidence of, the tax or other legal effects of the Plan on the Debtor or Holders of Claims or Interests.

Exhibit A

Plan

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
BEDMAR, LLC,)	Case No. 25-11027 (JKS)
Debtor. ¹)	
)	
)	
)	

**PREPACKAGED PLAN OF REORGANIZATION OF
BEDMAR, LLC UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

Mark D. Collins (No. 2981)
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Proposed Counsel to the Debtor and Debtor in Possession

Dated: June 10, 2025

¹ The Debtor in this chapter 11 case, along with the last four digits of the Debtor's United States federal tax identification number is Bedmar, LLC (5047). The Debtor's mailing address is 3115 Merryfield Row, San Diego, CA 92121.

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**PREPACKAGED PLAN OF REORGANIZATION OF
BEDMAR, LLC UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

Bedmar, LLC (the “*Debtor*”) proposes this Plan (as defined herein) for the treatment and resolution of the outstanding Claims against, and Interests in, the Debtor. Capitalized terms used in this Plan and not otherwise defined have the meanings ascribed to such terms in Article I.A of this Plan.

The Debtor is a proponent of this Plan within the meaning of section 1129 of the Bankruptcy Code.

Reference is made to the Disclosure Statement for a discussion of the facts and circumstances underlying the Chapter 11 Case, as well as a summary and analysis of this Plan and certain related matters, including distributions to be made under this Plan. There also are other agreements and documents, which will be Filed with the Bankruptcy Court, which are referenced in this Plan, the Plan Supplement, or the Disclosure Statement as exhibits and schedules. All such exhibits and schedules are incorporated into and are a part of this Plan as if set forth in full herein. Subject to certain restrictions and requirements set forth in 11 U.S.C. § 1127, Fed. R. Bankr. P. 3019 and the terms and conditions set forth in this Plan, the Debtor reserves the right to alter, amend, modify, revoke or withdraw this Plan prior to its substantial consummation.

Article I.

DEFINED TERMS AND RULES OF INTERPRETATION

A. *Defined Terms*

The following terms shall have the following meanings when used in capitalized form herein:

1. “*Administrative Claim*” means a Claim, including a General Administrative Claim, for costs and expenses of administration under sections 503(b), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estate and operating the business of the Debtor; (b) Professional Fee Claims (to the extent Allowed by the Bankruptcy Court); (c) all fees and charges assessed against the Estate under chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1911-1930; and (d) all Cure Costs; *provided* that the foregoing clauses (a) through (d) shall not be interpreted as enlarging the scope of sections 503(b), 507(b), or 1114(e)(2) of the Bankruptcy Code.

2. “*Affiliate*” means, with respect to any Entity, all Entities that would fall within the definition of an “affiliate” as such term is defined in section 101(2) of the Bankruptcy Code. With respect to any Entity that is not a Debtor, the term “Affiliate” shall apply to such Entity as if the Entity were a Debtor.

3. “*Affiliate Lease Guaranty*” means a guaranty given by the Debtor in connection with a real property lease of an Affiliate of the Debtor.

4. “*Allowed*” means with respect to any Claim or Interest (or any portion thereof): (a) any Claim or Interest as to which no objection to allowance has been interposed (either in the Bankruptcy Court or in the ordinary course of business) on or before any applicable period of limitation under applicable law or such other applicable period of limitation fixed by the Bankruptcy Court; (b) any Claim or Interest as to which the liability of the Debtor and the amount thereof are determined by a Final Order of the Bankruptcy Court or a court of competent jurisdiction other than the Bankruptcy Court, either before or after the Effective Date; or (c) any Claim or Interest expressly deemed Allowed by this Plan. “Allow,” “Allows,” and “Allowing” shall have correlative meanings.

5. “**Avoidance Actions**” means any and all avoidance, recovery, subordination or similar actions or remedies that may be brought by or on behalf of the Debtor or its Estate under the Bankruptcy Code or applicable non-bankruptcy law, including, actions or remedies arising under chapter 5 of the Bankruptcy Code or under similar or related local, state, federal, or foreign statutes and common law, including fraudulent transfer laws, fraudulent conveyance laws, or other similar related laws.

6. “**Bankruptcy Code**” means title 11 of the United States Code, 11 U.S.C. §§ 101-1532.

7. “**Bankruptcy Court**” means the United States Bankruptcy Court for the District of Delaware or such other court having jurisdiction over the Chapter 11 Case.

8. “**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, 28 U.S.C. § 2075, as applicable to the Chapter 11 Case, and the general, local, and chambers rules of the Bankruptcy Court.

9. “**Business Day**” means any day, other than a Saturday, Sunday or “legal holiday” (as that term is defined in Bankruptcy Rule 9006(a)), on which commercial banks are open for commercial business with the public in New York City, New York.

10. “**Cash**” means the legal tender of the United States of America or the equivalent thereof.

11. “**Causes of Action**” means any action, claim, cross-claim, third-party claim, cause of action, controversy, dispute, demand, right, lien, indemnity, contribution, guaranty, suit, obligation, liability, loss, debt, fee or expense, damage, interest, judgment, cost, account, defense, remedy, offset, power, privilege, proceeding, license, and franchise of any kind or character whatsoever, known, unknown, foreseen or unforeseen, existing or hereafter arising, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively (including any alter ego theories), whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity or pursuant to any other theory of law (including under any state or federal securities laws). For the avoidance of doubt, Causes of Action also include (a) any right of setoff, counterclaim, or recoupment and any claim for breach of contract or for breach of duties imposed by law or in equity, (b) the right to object to Claims or Interests, (c) any claim pursuant to section 362 or chapter 5 of the Bankruptcy Code, (d) any claim or defense including fraud, mistake, duress, and usury and any other defenses set forth in section 558 of the Bankruptcy Code, and (e) any Avoidance Action or state law fraudulent transfer or similar claim.

12. “**Chapter 11 Case**” means the voluntary case Filed for the Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court.

13. “**Claim**” means any claim, as defined in section 101(5) of the Bankruptcy Code. Except where otherwise provided in context, “Claim” refers to such a claim against the Debtor.

14. “**Claimant Release**” means the releases given by the Releasing Parties to the Released Parties in Article IX.C hereof.

15. “**Claims Register**” means the official register of Claims maintained by the Notice and Claims Agent.

16. “**Class**” means a category of Claims or Interests as set forth in Article III of this Plan pursuant to section 1122(a) of the Bankruptcy Code.

17. “**Combined Order**” means the order of the Bankruptcy Court approving the Disclosure Statement pursuant to Sections 1125, 1126(b), and 1145 of the Bankruptcy Code and confirming this Plan pursuant to section 1129 of the Bankruptcy Code.

18. “**Confirmation**” means the entry of the Combined Order by the Bankruptcy Court on the docket of the Chapter 11 Case.

19. “**Confirmation Date**” means the date on which Confirmation occurs.

20. “**Cure Cost**” means any and all amounts (including an amount of \$0.00) required to cure any monetary defaults under any Executory Contract or Unexpired Lease (or such lesser amount as may be agreed upon by the parties under an Executory Contract or Unexpired Lease) that is to be assumed by the Debtor pursuant to sections 365 or 1123 of the Bankruptcy Code.

21. “**D&O Liability Insurance Policies**” means, collectively, all insurance policies (including any “tail coverage” and all agreements, documents, or instruments related thereto) issued at any time to, or providing coverage to, the Debtor or any of the Debtor’s current or former directors, members, managers, or officers for alleged Wrongful Acts (as defined in the D&O Liability Insurance Policies), or similarly defined triggering acts, in their capacity as such.

22. “**Debtor Release**” means the releases set forth in Article IX.B of this Plan.

23. “**Definitive Documents**” means, collectively, the documents and agreements (and the exhibits, schedules, annexes, and supplements thereto) necessary to implement, or entered into in connection with, this Plan, including the documents Filed with the Plan Supplement, and the Disclosure Statement.

24. “**DIP Claim**” means any Claim on account of, arising under, or relating to the DIP Credit Agreement, the DIP Facility, or the DIP Orders, including, without limitation, Claims for outstanding principal amounts and accrued and unpaid interest (including any compounding), fees, expenses, indemnification, and other amounts arising under or related to the DIP Credit Agreement, the DIP Facility, or the DIP Orders.

25. “**DIP Credit Agreement**” means that certain Debtor-in-Possession Credit Agreement, dated as of June 9, 2025, by and between Bedmar, LLC, as borrower, and Bedmar Member, Inc., as lender, pursuant to which the DIP Lender has agreed to provide the Debtor with a postpetition financing facility in an aggregate principal amount of \$25,000,000.

26. “**DIP Facility**” means the postpetition delayed draw term loan facility established under the DIP Credit Agreement.

27. “**DIP Lender**” means Bedmar Member, Inc., in its capacity as the lender under the DIP Credit Agreement.

28. “**DIP Loan**” means each unsecured Cash loan under the DIP Facility.

29. “**DIP Motion**” means the Debtor’s motion seeking approval of and entry into the DIP Credit Agreement.

30. “**DIP Orders**” means, collectively, the Interim DIP Order and the Final DIP Order.

31. “**Disallowed**” means, with respect to any Claim or Interest, (a) a Claim or Interest, or any portion thereof, that has been disallowed by a Final Order or a settlement, or as provided in this Plan, or (b) a Claim or Interest, or any portion thereof, that is not Allowed and was required pursuant to this Plan to be the subject of a Proof of Claim by a certain date but no Proof of Claim was timely Filed (unless otherwise ordered by the Bankruptcy Court).

32. “**Disclosure Statement**” means the disclosure statement for this Plan, including all exhibits and schedules thereto, as amended, supplemented, or modified from time to time, that is prepared and distributed in accordance with sections 1125, 1126(b), and 1145 of the Bankruptcy Code, Bankruptcy Rule 3018, and other applicable law.

33. “**Disputed**” means, with respect to any Claim or Interest, except as otherwise provided herein, a Claim or Interest: (a) that is not Allowed and (b) that has not been Disallowed under this Plan, the Bankruptcy Code, or a Final Order, as applicable.

34. “**Distribution Agent**” means the Reorganized Debtor or any party designated by the Debtor or Reorganized Debtor to serve as distribution agent under this Plan.

35. “**Distribution Record Date**” means the record date for purposes of making distributions under this Plan on account of Allowed Claims, which date shall be the Effective Date.

36. “**Effective Date**” means the date on which all conditions specified in Article VIII.A of this Plan have been (a) satisfied or (b) waived pursuant to Article VIII.B of this Plan.

37. “**Entity**” means an entity as defined in section 101(15) of the Bankruptcy Code.

38. “**Estate**” means the estate created for the Debtor in the Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

39. “**Exculpated Party**” means, in each case in its capacity as such, the Debtor, the Debtor’s independent manager, and the Debtor’s Retained Professionals.

40. “**Executory Contract**” means a contract to which the Debtor is a party that is subject to assumption or rejection under sections 365 or 1123 of the Bankruptcy Code, other than an Unexpired Lease.

41. “**File**” or “**Filed**” or “**Filing**” means file, filed, or filing, respectively, with the Bankruptcy Court or its authorized designee in the Chapter 11 Case.

42. “**Final DIP Order**” means the Bankruptcy Court’s order granting the DIP Motion on a final basis.

43. “**Final Order**” means an order entered by the Bankruptcy Court or other court of competent jurisdiction: (a) that has not been reversed, stayed, modified, amended, or revoked, and as to which (i) any right to appeal or seek leave to appeal, certiorari, review, reargument, stay, or rehearing has been waived or (ii) the time to appeal or seek leave to appeal, certiorari, review, reargument, stay, or rehearing has expired and no appeal, motion for leave to appeal, or petition for certiorari, review, reargument, stay, or rehearing is pending or (b) as to which an appeal has been taken, a motion for leave to appeal, or petition for certiorari, review, reargument, stay, or rehearing has been filed and (i) such appeal, motion for leave to appeal or petition for certiorari, review, reargument, stay, or rehearing has been resolved by the highest court to which the order or judgment was appealed or from which leave to appeal, certiorari, review, reargument, stay, or rehearing was sought and (ii) the time to appeal (in the event leave is granted) further

or seek leave to appeal, certiorari, further review, reargument, stay, or rehearing has expired and no such appeal, motion for leave to appeal, or petition for certiorari, further review, reargument, stay, or rehearing is pending.

44. “**General Administrative Claim**” means any Administrative Claim, other than a Professional Fee Claim, a DIP Claim, or a Claim for fees and charges assessed against the Estate under chapter 123 of title 28 United States Code, 28 U.S.C. §§ 1911-1930.

45. “**General Unsecured Claim**” means any Claim against the Debtor existing as of the Petition Date that is not secured by a Lien on property in which the Debtor’s Estate has an interest.

46. “**Governmental Unit**” means a governmental unit as defined in section 101(27) of the Bankruptcy Code.

47. “**Holder**” means an Entity holding a Claim or Interest, as applicable.

48. “**Indemnification Provisions**” means each of the Debtor’s indemnification provisions in effect as of the Petition Date, whether in the Debtor’s formation documents, operating agreements, board resolutions, management or indemnification agreements, employment contracts, or otherwise providing a basis for any obligation of a Debtor to indemnify, defend, reimburse, or limit the liability of, or to advance fees and expenses to, any of the Debtor’s current and former directors, officers, equity holders, managers, members, employees, accountants, investment bankers, attorneys, and other professionals, and such current and former directors’, officers’, and managers’ respective Affiliates, each of the foregoing solely in their capacity as such.

49. “**Interest**” means the limited liability company interests of the Debtor.

50. “**Interim DIP Order**” means the Bankruptcy Court’s order granting the DIP Motion on an interim basis.

51. “**Lien**” means a lien as defined in section 101(37) of the Bankruptcy Code.

52. “**Non-Debtor Affiliates**” means all of the Affiliates of the Debtor.

53. “**Notice and Claims Agent**” means, Epiq Corporate Restructuring LLC, in its capacity as noticing, claims, and solicitation agent for the Debtor, pursuant to an order of the Bankruptcy Court.

54. “**Other Priority Claim**” means any Claim accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than: (a) Administrative Claims, or (b) Priority Tax Claims.

55. “**Person**” means an individual, firm, corporation (including any non-profit corporation), partnership, limited partnership, limited liability company, joint venture, association, trust, governmental entity, or other entity or organization.

56. “**Petition Date**” means June 9, 2025.

57. “**Plan**” means this prepackaged plan of reorganization under chapter 11 of the Bankruptcy Code, either in its present form or as it may be altered, amended, modified, or supplemented from time to time in accordance with the Bankruptcy Code, the Bankruptcy Rules, or the terms hereof, as the case may be, and the Plan Supplement, which is incorporated herein by reference, including all exhibits and schedules hereto and thereto.

58. “**Plan Objection Deadline**” means the time and date set by the Bankruptcy Court by which objections to Confirmation of this Plan must be Filed.

59. “**Plan Supplement**” means one or more supplemental appendices to this Plan, which shall include, among other things, draft forms of documents (or terms sheets thereof), schedules, and exhibits to this Plan, as may be amended, modified, or supplemented from time to time on or prior to the Effective Date, including the following documents: (a) a schedule of retained Causes of Action and (b) such other documents as may be specified in this Plan.

60. “**Plan Supplement Filing Date**” means the date on which the Plan Supplement is Filed with the Bankruptcy Court, which shall be at least seven (7) days prior to the deadline to File objections to Confirmation.

61. “**Priority Tax Claim**” means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

62. “**Professional Fee Claim**” means a Claim by a Retained Professional seeking an award by the Bankruptcy Court of compensation for services rendered or reimbursement of expenses incurred through and including the Effective Date under sections 328, 330, 331, 503(b)(2), 503(b)(3), 503(b)(4), or 503(b)(5) of the Bankruptcy Code.

63. “**Proof of Claim**” means a proof of Claim Filed against the Debtor in the Chapter 11 Case.

64. “**Reinstatement**” means, with respect to Claims and Interests, that the Claim or Interest shall be rendered Unimpaired in accordance with section 1124 of the Bankruptcy Code. “Reinstated” and “Reinstatement” shall each have a correlative meaning.

65. “**Rejection Damages Bar Date**” means the Plan Objection Deadline.

66. “**Rejection Damages Claim**” means any Claim (i) for damages related to the rejection of Executory Contracts and Unexpired Leases or (ii) based on or arising from an Affiliate Lease Guaranty.

67. “**Related Party**” means an Entity’s predecessors, successors and assigns, parents, subsidiaries, affiliates, managed accounts or funds, and all of their respective current and former officers, directors (other than the Debtor’s former officers and directors employed prior to, but not on or after, the Petition Date), principals, shareholders (and any fund managers, fiduciaries or other agents of shareholders with any involvement related to the Debtor), members, partners, employees, agents, trustees, advisory board members, financial advisors, attorneys, accountants, actuaries, investment bankers, consultants, representatives, management companies, fund advisors and other professionals, and such persons’ respective heirs, executors, estates, servants and nominees.

68. “**Released Parties**” means, collectively, each of, and in each case in its capacity as such: (a) the Debtor; (b) the Reorganized Debtor; (c) each Non-Debtor Affiliate; (d) each of the Debtor’s and Non-Debtor Affiliates’ current and former directors, officers, managers, and proxyholders; (e) each Releasing Party; and (f) each Related Party of each Entity in clause (a) through (e); *provided*, that in each case, an Entity shall not be a Released Party if it (i) timely Files with the Bankruptcy Court on the docket of the Chapter 11 Case an objection to this Plan on the basis of the Claimant Release that is not resolved before Confirmation or (ii) elects to opt out of the Releases.

69. “**Releases**” means, collectively, the Debtor Release and the Claimant Release as set forth in Article IX hereof.

70. “**Releasing Parties**” means, collectively, each of, and in each case in its capacity as such: (a) each Non-Debtor Affiliate; (b) each Holder of a Claim or Interest that (i) does not timely File with the Bankruptcy Court on the docket of the Chapter 11 Case an objection to this Plan on the basis of the Claimant Release, (ii) Files such an objection that is consensually resolved with the Debtor on terms providing for such Holder to be a Releasing Party or that is withdrawn before Confirmation, or (iii) Files an objection that is thereafter overruled by the Bankruptcy Court; and (c) each Related Party of each Entity in clause (a) through (b) each in its capacity as such and to the fullest extent it would be obligated to release its claims under the principles of agency if so directed by the Entity in clause (a) through (b) to whom it relates; *provided*, that in each case, an Entity shall not be a Releasing Party if it elects to opt out of the Releases.

71. “**Reorganized Debtor**” means, on or after the Effective Date, the Debtor, as reorganized pursuant to and under this Plan, or any successor thereto.

72. “**Retained Professional**” means an Entity: (a) employed in the Chapter 11 Case pursuant to a Final Order in accordance with sections 327 and/or 1103 of the Bankruptcy Code and to be compensated for services rendered prior to the Effective Date, pursuant to sections 327, 328, 329, 330, or 331 of the Bankruptcy Code; or (b) for which compensation and reimbursement has been Allowed by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

73. “**Schedule of Retained Causes of Action**” means the schedule of certain Causes of Action of the Debtor that are not released, waived, or transferred pursuant to this Plan.

74. “**Scheduled**” means, with respect to any Rejection Damages Claim, the amount, if any, of such Claim as set forth in (a) an order of the Bankruptcy Court authorizing the Debtor to reject an Executory Contract or Unexpired Lease or (b) Schedule A to this Plan (as may be amended, modified, or supplemented pursuant to the Plan).

75. “**Secured Claim**” means a Claim: (i) secured by a Lien on property in which the Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the creditor’s interest in the Estate’s interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code or (ii) otherwise Allowed pursuant to this Plan or order of the Bankruptcy Court as a secured Claim.

76. “**Unexpired Lease**” means a lease to which the Debtor is a party that is subject to assumption or rejection under section 365 or 1123 of the Bankruptcy Code.

77. “**Unimpaired**” means, with respect to a Claim, Interest, or Class of Claims or Interests, not “impaired” within the meaning of sections 1123(a)(4) and 1124 of the Bankruptcy Code.

78. “**United States Trustee**” means the Office of the United States Trustee for the District of Delaware.

79. “**United States Trustee Statutory Fees**” means the quarterly fees due to the United States Trustee under 28 U.S.C § 1930(a)(6), plus any interest due and payable under 31 U.S.C. § 3717 on all disbursements, including Plan payments and disbursements in and outside the ordinary course of the Debtor’s or Reorganized Debtor’s business (or such amount agreed to with the United States Trustee or ordered by the Bankruptcy Court).

80. “**Unscheduled Rejection Damages Claims**” has the meaning set forth in Article V.D of this Plan.

B. *Rules of Interpretation*

1. For purposes herein: (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) unless otherwise specified, any reference herein to a contract, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (c) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit, whether or not Filed, having been Filed or to be Filed shall mean that document, schedule, or exhibit, as it may thereafter be amended, modified, or supplemented; (d) any reference to any Entity as a Holder of a Claim or Interest includes that Entity's successors and assigns; (e) unless otherwise specified, all references herein to "Articles" are references to Articles of this Plan; (f) unless otherwise specified, the words "herein," "hereof," and "hereto" refer to this Plan in its entirety rather than to a particular portion of this Plan; (g) subject to the provisions of any contract, certificate of incorporation, by-law, instrument, release, or other agreement or document created or entered into in connection with this Plan, the rights and obligations arising pursuant to this Plan shall be governed by, and construed and enforced in accordance with applicable federal law, including the Bankruptcy Code and Bankruptcy Rules; (h) unless otherwise specified, the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words "without limitation"; (i) references to "shareholders," "directors," and/or "officers" shall also include "members" and/or "managers," as applicable, as such terms are defined under the applicable state limited liability company laws; (j) references to "Proofs of Claim," "Holders of Claims," "Disputed Claims," and the like shall include "Proofs of Interests," "Holders of Interests," "Disputed Interests," and the like, as applicable; (k) captions and headings to Articles and subdivisions thereof are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (l) unless otherwise specified, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (m) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (n) unless otherwise specified, all references to statutes, regulations, orders, rules of courts, and the like shall mean as in effect on the Effective Date and as applicable to the Chapter 11 Case; (o) any effectuating provisions may be interpreted by the Reorganized Debtor in such a manner that is consistent with the overall purpose and intent of this Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity, and such interpretation shall control; (p) references to docket numbers are references to the docket numbers of documents Filed in the Chapter 11 Case under the Bankruptcy Court's CM/ECF system; and (q) all references herein to consent, acceptance, or approval may be conveyed by counsel for the respective parties that have such consent, acceptance, or approval rights, including by electronic mail.

2. Unless otherwise specifically stated herein, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a transaction may occur pursuant to this Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day. Unless otherwise specified herein, any references to the Effective Date shall mean the Effective Date or as soon as reasonably practicable thereafter.

3. All references in this Plan to monetary figures refer to currency of the United States of America, unless otherwise expressly provided.

4. Except as otherwise specifically provided in this Plan to the contrary, references in this Plan to the Debtor or to the Reorganized Debtor mean the Debtor and the Reorganized Debtor, as applicable, to the extent the context requires.

Article II.

ADMINISTRATIVE CLAIMS, PRIORITY TAX CLAIMS, AND UNITED STATES TRUSTEE STATUTORY FEES

In accordance with section 1123(a)(1) of the Bankruptcy Code, General Administrative Claims, DIP Claims, and Priority Tax Claims have not been classified and thus are excluded from the Classes of Claims and Interests set forth in Article III.

A. *Administrative Claims*

1. General Administrative Claims

Subject to the provisions of sections 328, 330(a), and 331 of the Bankruptcy Code, except to the extent that a Holder of an Allowed General Administrative Claim and the Debtor or Reorganized Debtor, as applicable, agree to less favorable treatment with respect to such Allowed General Administrative Claim, each Holder of an Allowed General Administrative Claim will receive, in full and final satisfaction of its General Administrative Claim, an amount in Cash equal to the unpaid amount of such Allowed General Administrative Claim in accordance with the following: (a) if such General Administrative Claim is Allowed on or prior to the Effective Date, on the Effective Date or as soon as reasonably practicable thereafter or, if not then due, when such Allowed General Administrative Claim is due or as soon as reasonably practicable thereafter; (b) if such General Administrative Claim is Allowed after the Effective Date, on the date such General Administrative Claim is Allowed or as soon as reasonably practicable thereafter or, if not then due, when such Allowed General Administrative Claim is due or as soon as reasonably practicable thereafter; (c) at such time and upon such terms as may be agreed upon by such Holder and the Debtor or the Reorganized Debtor, as the case may be; or (d) at such time and upon such terms as set forth in an order of the Bankruptcy Court; *provided* that Allowed General Administrative Claims that arise in the ordinary course of the Debtor's business during the Chapter 11 Case shall be paid in full in Cash in the ordinary course of business in accordance with the terms and conditions of any controlling agreements, course of dealing, course of business, or industry practice. Nothing in the foregoing or otherwise in this Plan shall prejudice the Debtor's or the Reorganized Debtor's rights and defenses regarding any asserted General Administrative Claim.

2. DIP Claims

Upon the Effective Date, in consideration for the protections that inure to the benefit of the DIP Lender under this Plan, any and all unpaid principal of each DIP Loan and all other unpaid obligations thereunder, including accrued and unpaid interest, shall be converted to membership interests in the Reorganized Debtor with a capital account equal to the amount of the DIP Claim on the Effective Date, and the DIP Lender shall, by virtue of the entry of the Combined Order, be deemed to have fully, finally and forever released, relinquished, forgiven and discharged the Debtor and the Reorganized Debtor, from each and every DIP Claim in exchange for membership interests of the Reorganized Debtor. Effective upon the Effective Date, the DIP Credit Agreement and all related documents shall be deemed automatically canceled, extinguished, and of no further force or effect, with the Debtor and the Reorganized Debtor having no continuing obligations or duties or responsibilities thereunder.

3. Professional Fee Claims

All final requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Effective Date must be Filed no later than thirty (30) days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Code,

the Bankruptcy Rules, and prior Bankruptcy Court orders. The Reorganized Debtor shall pay Professional Fee Claims owing to the Retained Professionals in Cash to such Retained Professionals in the amount the Bankruptcy Court Allows (i) within five (5) calendar days of the entry of an order relating to such Allowed Professional Fee Claims or as soon as reasonably practicable thereafter, or (ii) upon such other terms and conditions as may be mutually agreed upon between the Holder of such an Allowed Professional Fee Claim and the Debtor or Reorganized Debtor, as applicable.

No later than ten (10) calendar days prior to the Effective Date, Holders of Professional Fee Claims shall provide to the Debtor a reasonable and good faith estimate of unpaid Professional Fee Claims incurred in rendering services before the Effective Date and the Debtor shall separately escrow such estimated amounts for the benefit of Holders of Professional Fee Claims until the fee applications related thereto are resolved by Final Order or agreement of the parties. If a Holder of a Professional Fee Claim does not provide an estimate, the Debtor may estimate the unpaid and unbilled reasonable and necessary fees and out-of-pocket expenses of such Holder of a Professional Fee Claim. When all such Allowed Professional Fee Claims have been paid in full, any remaining amount in such escrow shall promptly be released from such escrow and revert to, and ownership thereof shall vest in, the Reorganized Debtor without any further action or order of the Bankruptcy Court.

The Reorganized Debtor is authorized to pay compensation for services rendered or reimbursement of expenses incurred by Debtor Professionals after the Effective Date in the ordinary course of business and without the need for Bankruptcy Court approval.

B. *Priority Tax Claims*

Except to the extent that a Holder of an Allowed Priority Tax Claim and the Debtor agree to a less favorable treatment, in exchange for full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code. Nothing in the foregoing or otherwise in this Plan shall prejudice the Debtor's or the Reorganized Debtor's rights and defenses regarding any asserted Priority Tax Claim.

C. *United States Trustee Statutory Fees and Related Reporting Obligations*

All United States Trustee Statutory Fees due and payable prior to the Effective Date shall be paid by the Debtor on the Effective Date. After the Effective Date, any and all United States Trustee Statutory Fees shall be paid in full in Cash when due and payable. The Debtor shall File all monthly operating reports due prior to the Effective Date when they become due using UST Form 11-MOR. After the Effective Date, the Reorganized Debtor shall File with the Bankruptcy Court separate UST Form 11-PCR reports when they become due. The Debtor and the Reorganized Debtor shall remain obligated to pay all United States Trustee Statutory Fees to the United States Trustee for each quarter (including any fraction thereof) until the earliest of the Debtor's Chapter 11 Case being converted to a case under chapter 7 of the Bankruptcy Code, dismissed, or closed. The United States Trustee Statutory Fees are Allowed. The United States Trustee shall not be required to File any Administrative Claim in the Chapter 11 Case and shall not be treated as providing any release under this Plan.

Article III.

CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

A. *Classification of Claims*

The provisions of this Article III govern Claims against and Interests in the Debtor. Except for the Claims addressed in Article II above (or as otherwise set forth herein), all Claims and Interests are placed

in Classes with respect to the Debtor. In accordance with section 1123(a)(1) of the Bankruptcy Code, the Debtor has not classified Administrative Claims, DIP Claims, and Priority Tax Claims as described in Article II above.

The categories of Claims and Interests listed below classify Claims and Interests for all purposes, including voting, Confirmation and distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. This Plan deems a Claim or Interest to be classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Interest qualifies within the description of such different Class. A Claim or an Interest is in a particular Class only to the extent that any such Claim or Interest is Allowed in that Class and has not been paid or otherwise settled prior to the Effective Date.

Summary of Classification and Treatment of Claims and Interests

Class	Claim	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Presumed to Accept
2	Secured Claims	Unimpaired	Presumed to Accept
3	General Unsecured Claims	Unimpaired	Presumed to Accept
4	Interests	Unimpaired	Presumed to Accept

B. *Treatment of Claims and Interests*

1. *Class 1 — Other Priority Claims*

- a. *Classification:* Class 1 consists of all Other Priority Claims.
- b. *Treatment:* Except to the extent that a Holder of an Allowed Other Priority Claim and the Debtor agree to a less favorable treatment, in exchange for full and final satisfaction, settlement, release, and the discharge of each Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim due and payable on or prior to the Effective Date shall receive, as soon as reasonably practicable after the Effective Date, on account of such Claim: (i) Cash in an amount equal to the amount of such Allowed Other Priority Claim; or (ii) Cash in an amount agreed to by the Debtor or the Reorganized Debtor, as applicable, and such Holder. To the extent any Allowed Other Priority Claim is not due and owing on or before the Effective Date, such Claim shall be paid in full in Cash in accordance with the terms of any agreement between the Debtor (or the Reorganized Debtor, as applicable) and such Holder, or as may be due and payable under applicable non-bankruptcy law or in the ordinary course of business. Nothing in the foregoing or otherwise in this Plan shall prejudice the Debtor's or the Reorganized Debtor's rights and defenses regarding any asserted Other Priority Claim.
- c. *Voting:* Class 1 is Unimpaired, and Holders of Other Priority Claims are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Other Priority Claims are not entitled to vote to accept or reject this Plan.

2. Class 2 — Secured Claims

- a. *Classification:* Class 2 consists of all Secured Claims.
- b. *Treatment:* Except to the extent that a Holder of an Allowed Secured Claim agrees to less favorable treatment, in exchange for full and final satisfaction, settlement, release, and discharge of each Allowed Secured Claim, each Holder of an Allowed Secured Claim, at the option of the Debtor shall, on the Effective Date, (i) be paid in full in Cash including the payment of any interest required to be paid under section 506(b) of the Bankruptcy Code, (ii) receive the collateral securing its Allowed Secured Claim, or (iii) receive any other treatment that would render such Claim Unimpaired, in each case, as determined by the Debtor.
- c. *Voting:* Class 2 is Unimpaired, and Holders of Secured Claims are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Secured Claims are not entitled to vote to accept or reject this Plan.

3. Class 3 — General Unsecured Claims

- a. *Classification:* Class 3 consists of all General Unsecured Claims.
- b. *Treatment:* Subject to Article V.D of this Plan and except to the extent that a Holder of an Allowed General Unsecured Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release, and discharge and in exchange for each Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim against a Debtor shall receive, at the option of the Debtor, (i) Reinstatement of such Allowed General Unsecured Claim; (ii) payment in full in Cash in accordance with applicable law and the terms and conditions of the particular transaction giving rise to, or the agreement that governs, such Allowed General Unsecured Claim, which payment shall occur on the later of (A) the date due in the ordinary course of business or (B) the Effective Date; or (iii) receive any other treatment that would render such Claim Unimpaired, in each case, as determined by the Debtor; *provided*, that in each case, that no Holder of an Allowed General Unsecured Claim shall receive any distribution for any Claim that has previously been satisfied pursuant to a Final Order of the Bankruptcy Court.
- c. *Voting:* Class 3 is Unimpaired, and Holders of General Unsecured Claims are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of General Unsecured Claims are not entitled to vote to accept or reject this Plan.

4. Class 4 — Interests

- a. *Classification:* Class 4 consists of all Interests.
- b. *Treatment:* On the Effective Date, each Holder of an Allowed Interest shall have such Interest Reinstated.
- c. *Voting:* Class 4 is Unimpaired, and Holders of Interests are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Interests are not entitled to vote to accept or reject this Plan.

C. *Presumed Acceptance of Plan; No Classes Entitled to Vote*

All Classes of Claims and Interests are Unimpaired under this Plan and all Holders of Claims and Interests are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, no Holder of a Claim or Interest is entitled to vote on this Plan, and no votes were solicited.

D. *Special Provision Governing Unimpaired Claims*

Holders of Claims, other than those holding Rejection Damages Claims, shall not be subject to any claims-resolution process in the Bankruptcy Court in connection with their Claims and, solely to the extent such Claim has not been (i) satisfied pursuant to the treatment provided for such Claim in this Plan or (ii) otherwise satisfied or disposed of as determined by a court of competent jurisdiction, shall retain, on the Effective Date, all their rights under applicable nonbankruptcy law to pursue their Claims against the Debtor or the Reorganized Debtor or other Entity in any forum with jurisdiction over the parties. Nothing under this Plan shall affect or limit the Debtor's or the Reorganized Debtor's rights, counterclaims, and defenses (whether legal or equitable) in respect of any Claims, including, without limitation, all rights in respect of legal and equitable defenses to, or setoffs or recoupments against, any such Claims. If the Debtor or the Reorganized Debtor disputes any Claim, such dispute shall be determined, resolved or adjudicated in the manner as if the Chapter 11 Case had not been commenced, except with respect to Rejection Damages Claims, which shall be determined, resolved or adjudicated as set forth in Article V.

Article IV.

MEANS FOR IMPLEMENTATION OF THIS PLAN

A. *General Settlement of Claims and Interests*

Pursuant to section 1123 of the Bankruptcy Code, this Plan is and shall be deemed a good faith compromise and settlement of all claims, interests, and controversies belonging to the Debtor that are being settled under this Plan. The entry of the Combined Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such claims, interests, and controversies belonging to the Debtor, as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Debtor and its Estate, and is fair, equitable and reasonable. The compromises, settlements, and release described herein shall be deemed nonseverable from each other and from all other terms of this Plan. Subject to Article VI, distributions made to Holders of Allowed Claims in any Class are intended to be and shall be final and indefeasible and shall not be subject to avoidance, turnover, or recovery by any other Person.

B. *Corporate Existence*

The Debtor shall continue to exist after the Effective Date as a limited liability company, with all the powers of a limited liability company, pursuant to the applicable law of Delaware and pursuant to the formation and operating agreements in effect prior to the Effective Date.

C. *Vesting of Assets in the Reorganized Debtor Free and Clear of Liens and Claims*

On and after the Effective Date, all property in the Estate, all Causes of Action, and any property of the Debtor shall vest in the Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances. On and after the Effective Date, the Reorganized Debtor may (i) operate its businesses, (ii) use, acquire, and dispose of its property, and (iii) compromise or settle any Claims, Interests, or Causes of Action, in each case without notice to, supervision of, or approval by the Bankruptcy Court and free and clear of any restrictions of the Bankruptcy Code or the Bankruptcy Rules, including for the avoidance of

doubt any restrictions on the use, acquisition, sale, lease, or disposal of property under section 363 of the Bankruptcy Code.

D. *Cancellation of Existing Agreements*

On the Effective Date, except to the extent otherwise provided in this Plan, the Combined Order, or any other Definitive Document, all notes, bonds, indentures, certificates, securities, purchase rights, options, warrants, collateral agreements, subordination agreements, or other instruments or documents directly or indirectly evidencing, creating, or relating to any existing indebtedness or obligations of the Debtor or giving rise to any rights or obligations relating to Claims against the Debtor shall be deemed canceled and surrendered, and the obligations of the Debtor or the Reorganized Debtor, if/as applicable, and any Non-Debtor Affiliates thereunder or in any way related thereto shall be deemed satisfied in full, released, and discharged; *provided* that, notwithstanding such cancellation, satisfaction, release, and discharge, anything to the contrary contained in this Plan or the Combined Order, Confirmation or the occurrence of the Effective Date, any such document or instrument that governs the rights, Claims, or remedies of the Holder of a Claim shall continue in effect solely for purposes of: (i) enabling the Holder of such Claim to receive distributions on account of such Claim under this Plan as provided herein; and (ii) permitting the Reorganized Debtor and any other Distribution Agent, as applicable, to make distributions on account of the applicable Claims.

E. *Organizational Documents*

From and after the Effective Date, the organizational documents of the Reorganized Debtor will comply with section 1123(a)(6) of the Bankruptcy Code.

F. *Release of Liens and Claims*

To the fullest extent provided under section 1141(c) and other applicable provisions of the Bankruptcy Code, except as otherwise provided herein or in any contract, instrument, release or other agreement or document entered into or delivered in connection with this Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to Article VI hereof, all Liens, Claims, mortgages, deeds of trust, or other security interests against the assets or property of the Debtor or the Estate shall be fully released, canceled, terminated, extinguished and discharged, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity. The filing of the Combined Order with any federal, state, or local agency or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens, Claims and other interests to the extent provided in the immediately preceding sentence. Any Person or Entity holding such Liens, Claims or interests shall, pursuant to section 1142 of the Bankruptcy Code, promptly execute and deliver to the Reorganized Debtor such instruments of termination, release, satisfaction and/or assignment (in recordable form) as may be reasonably requested by the Reorganized Debtor.

G. *Manager of the Reorganized Debtor*

The Reorganized Debtor will continue to be managed by the Debtor's independent manager. The Reorganized Debtor will provide its independent manager (as applicable) with indemnification rights and will compensate its independent manager consistent with compensation provided during the Chapter 11 Case. The Reorganized Debtor will assume any prepetition indemnification obligations to its independent manager.

H. *Corporate Action*

Upon the Effective Date, all actions contemplated by this Plan shall be deemed authorized, approved, and, to the extent taken prior to the Effective Date, ratified without any requirement for further action by Holders of Claims, the Debtor's independent manager, the Reorganized Debtor, or any other Entity, including: (i) assumption and rejection (as applicable) of Executory Contracts and Unexpired Leases; (ii) Reinstatement of Interests; and (iii) all other acts or actions contemplated, or reasonably necessary or appropriate to promptly consummate the transactions contemplated by this Plan (whether to occur before, on, or after the Effective Date). All matters provided for in this Plan involving the company structure of the Debtor, and any company action required by the Debtor in connection therewith, shall be deemed to have occurred on, and shall be in effect as of, the Effective Date, without any requirement of further action by the independent manager of the Debtor.

Prior to, on and after the Effective Date, the independent manager of the Debtor or the Reorganized Debtor shall be authorized and directed to issue, execute, and deliver the agreements and documents contemplated by this Plan (or necessary or desirable to effect the transactions contemplated by this Plan) in the name of and on behalf of the Debtor or Reorganized Debtor. Prior to or on the Effective Date, the Debtor is authorized, in its sole discretion, to change its name or corporate form and to take such other action as required to effectuate a change of name or corporate form in the jurisdiction of incorporation of the Debtor or Reorganized Debtor. To the extent the Debtor changes its name or corporate form prior to the closing of the Chapter 11 Case, the Debtor shall change the case caption accordingly.

I. *Authority of the Debtor*

Effective on the Confirmation Date, the Debtor and its independent manager shall be empowered and authorized to take or cause to be taken, prior to the Effective Date, all actions necessary or appropriate to achieve the Effective Date and enable the Reorganized Debtor to implement effectively the provisions of this Plan and the Combined Order.

J. *Continuing Effectiveness of Final Orders*

Payment authorization granted to the Debtor under any prior Final Order entered by the Bankruptcy Court shall continue in effect after the Effective Date. Accordingly, the Debtor or the Reorganized Debtor may pay or otherwise satisfy any Claim to the extent permitted by, and subject to, the applicable Final Order without regard to the treatment that would otherwise be applicable to such Claim under this Plan.

Article V.

**TREATMENT OF EXECUTORY CONTRACTS
AND UNEXPIRED LEASES**

A. *Assumption of Executory Contracts and Unexpired Leases*

On the Effective Date, except as otherwise provided in this Plan, each of the Executory Contracts and Unexpired Leases not previously rejected, assumed, or assumed and assigned pursuant to an order of the Bankruptcy Court shall be deemed assumed as of the Effective Date pursuant to sections 365 and 1123 of the Bankruptcy Code except any Executory Contract or Unexpired Lease (i) that is the subject of a separate motion or notice to reject pending as of the Effective Date or (ii) that previously expired or terminated pursuant to its own terms (disregarding any terms the effect of which is invalidated by the Bankruptcy Code).

Entry of the Combined Order by the Bankruptcy Court shall constitute an order approving the assumption or rejection of the Executory Contracts and Unexpired Leases pursuant to sections 365(a) and

1123 of the Bankruptcy Code, effective on the occurrence of the Effective Date (unless assumed or rejected pursuant to a separate order, in which case the effective date of assumption or rejection set forth in such order shall control). Each Executory Contract and Unexpired Lease assumed pursuant to this Plan or by the Bankruptcy Court order shall re-vest in and be fully enforceable by the Reorganized Debtor in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court.

To the maximum extent permitted by law, unless otherwise provided herein, the transactions contemplated by this Plan shall not constitute a “change of control” or “assignment” (or terms with similar effect) under any Executory Contract or Unexpired Lease assumed pursuant to this Plan, or any other transaction, event, or matter that would (1) result in a violation, breach, or default under such Executory Contract or Unexpired Lease, (2) increase, accelerate, or otherwise alter any obligations, rights, or liabilities of the Debtor or the Reorganized Debtor under such Executory Contract or Unexpired Lease, or (3) result in the creation or imposition of a Lien upon any property or asset of the Debtor or the Reorganized Debtor pursuant to the applicable Executory Contract or Unexpired Lease. Any consent or advance notice required under such Executory Contract or Unexpired Lease in connection with assumption thereof (pursuant to the other provisions of this Article V.A) shall be deemed satisfied by Confirmation.

B. Payments on Assumed Executory Contracts and Unexpired Leases

Any monetary default under an Executory Contract or Unexpired Lease to be assumed pursuant to this Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the Cure Cost in Cash on the Effective Date or as soon as reasonably practicable, subject to the limitation described below, or on such other terms as the parties to such Executory Contract or Unexpired Lease may otherwise agree.

In the event of a dispute regarding (1) Cure Cost, (2) the ability of the Reorganized Debtor or any assignee to provide “adequate assurance of future performance” (within the meaning of section 365(b) of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption, the Bankruptcy Court shall hear such dispute, to the extent unresolved, before the assumption becoming effective; *provided*, that the Debtor may settle any such dispute and shall pay any agreed upon Cure Cost without any further notice to any party or any action, order, or approval. The cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order(s) resolving the dispute and approving the assumption and shall not prevent or delay implementation of this Plan or the occurrence of the Effective Date.

Parties to Executory Contracts and Unexpired Leases assumed by the Debtor pursuant to this Plan shall not be required to File a Proof of Claim or objection to assert or preserve any Cure Cost. Any and all Proofs of Claim, other than on account of timely Filed Unscheduled Rejection Damages Claims, shall be deemed (i) Disallowed; (ii) forever barred, estopped, and enjoined from assertion; and (iii) fully satisfied, released, and discharged, notwithstanding any Proof of Claim to the contrary, in each case, without further order of the Bankruptcy Court.

C. Affiliate Lease Guaranties

For the avoidance of doubt, any Claim based on or arising from an Affiliate Lease Guaranty is a Rejection Damages Claim, which pursuant to this Plan, is deemed Disputed and shall be Allowed in its Scheduled amount (if any), including as may be set forth on Schedule A to this Plan.

D. Rejection Damages Claims

Schedule A to this Plan sets forth the Scheduled amount of the Rejection Damages Claim for each (i) rejected Unexpired Lease that represents the Allowed General Unsecured Claim for the applicable Unexpired Lease arising from the Debtor’s rejection of such lease, calculated as the lesser of actual damages

or the amount calculated by section 502(b)(6) of the Bankruptcy Code or (ii) Claim on account of an Affiliate Lease Guaranty. Each counterparty identified on **Schedule A** shall have until the Rejection Damages Bar Date to properly File a Proof of Claim for an Unscheduled Rejection Damages Claim. Absent a counterparty timely and properly Filing a Proof of Claim for such Unscheduled Rejection Damages Claim, the Scheduled amount of a Rejection Damages Claim shall be deemed assented to by all parties and shall be deemed such counterparty's sole Allowed Claim arising from (i) the Debtor's rejection of the applicable Unexpired Lease or (ii) an Affiliate Lease Guaranty.

Unless otherwise provided by a Final Order, Proofs of Claim either (i) disputing the Scheduled amount of a Scheduled Rejection Damages Claim or (ii) asserting a Rejection Damages Claim that has not been Scheduled (the Claims in the foregoing items (i) and (ii), collectively, "Unscheduled Rejection Damages Claims") must be Filed with the Notice and Claims Agent by no later than the Rejection Damages Bar Date. Any Unscheduled Rejection Damages Claim for which a Proof of Claim is not timely Filed shall be (a) Disallowed and forever barred, estopped, and enjoined from assertion and (b) deemed fully satisfied, released, and discharged, notwithstanding any Proof of Claim to the contrary, in each case, without further order of the Bankruptcy Court. Any and all Proofs of Claim for Unscheduled Rejection Damages Claims that are Filed shall be deemed Disputed and addressed pursuant to Article VII.A of this Plan. Upon entry of a Final Order by the Bankruptcy Court Allowing any Unscheduled Rejection Damages Claim, such Allowed Rejection Damages Claim shall be treated as a General Unsecured Claim pursuant to the terms of this Plan.

E. *Contracts and Leases Entered into After the Petition Date*

Contracts and leases entered into after the Petition Date by the Debtor, including any Executory Contracts and Unexpired Leases assumed by the Debtor, will be performed by such Debtor or Reorganized Debtor, as applicable, liable thereunder in the ordinary course of business. Accordingly, such contracts and leases (including any Executory Contracts and Unexpired Leases assumed or assumed and assigned pursuant to section 365 of the Bankruptcy Code) will survive and remain unaffected by entry of the Combined Order.

F. *Reservation of Rights*

Nothing contained in this Plan shall constitute an admission by the Debtor that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that the Reorganized Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption, the Debtor or Reorganized Debtor, as applicable, shall have thirty (30) days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease. If there is a dispute regarding the Debtor's or Reorganized Debtor's liability under an assumed Executory Contract or Unexpired Lease, the Reorganized Debtor shall be authorized to move to have such dispute heard by the Bankruptcy Court pursuant to Article X of this Plan.

G. *Directors and Officers Insurance Policies*

On the Effective Date the Reorganized Debtor shall be deemed to have assumed all of the Debtor's interest in the D&O Liability Insurance Policies (including any "tail policy" and all agreements, documents, or instruments related thereto), if any, in effect prior to the Effective Date pursuant to sections 105 and 365(a) of the Bankruptcy Code, without the need for any further notice to or action, order, or approval of the Bankruptcy Court. Confirmation of this Plan shall not discharge, impair, or otherwise modify any indemnity obligations assumed by the foregoing assumption of the Debtor's interest in the D&O Liability Insurance Policies, and each such indemnity obligation will be deemed and treated as an Executory Contract that has been assumed by the Debtor under this Plan as to which no Proof of Claim need be Filed. The Debtor and, after the Effective Date, the Reorganized Debtor shall retain the ability to supplement any D&O

Liability Insurance Policies as the Debtor or Reorganized Debtor, as applicable, may deem necessary. For the avoidance of doubt, entry of the Combined Order will constitute the Bankruptcy Court's approval of the Reorganized Debtor's foregoing assumption of the Debtor's interest in any unexpired D&O Liability Insurance Policies.

In addition, on or after the Effective Date, the Reorganized Debtor shall not terminate or otherwise reduce the coverage under any D&O Liability Insurance Policies (including any "tail policy" and all agreements, documents, or instruments related thereto) in effect on or prior to the Effective Date, with respect to conduct occurring prior thereto, and all current and former directors, officers, and managers of the Debtor who served in such capacity at any time prior to the Effective Date shall be entitled to the full benefits of any such policies for the full term of such policies regardless of whether such current and former directors, officers, and managers remain in such positions after the Effective Date, all in accordance with and subject in all respects to the terms and conditions of the D&O Liability Insurance Policies, which shall not be altered.

H. *Indemnification Provisions and Reimbursement Obligations*

On and as of the Effective Date, and except as prohibited by applicable law and subject to the limitations set forth herein, the Indemnification Provisions will be assumed and irrevocable and will survive the effectiveness of this Plan. The Debtor shall not amend and/or restate its corporate governance documents before or after the Effective Date to terminate or adversely affect any of the Indemnification Provisions, or any other provision with respect to the indemnification, defense, reimbursement, exculpation, and/or limitation of liability of, and advancement of fees and expenses to the Debtor's and the Reorganized Debtor's independent manager against any Claims or Causes of Action whether direct or derivative, liquidated or unliquidated, fixed or contingent, disputed or undisputed, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted.

Article VI.

PROVISIONS GOVERNING DISTRIBUTIONS

A. *Timing and Calculation of Amounts to Be Distributed*

Unless otherwise provided in this Plan, on the Effective Date (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim shall receive the full amount of the distributions that this Plan provides for Allowed Claims in the applicable Class; *provided* that any Allowed Administrative Claims with respect to liabilities incurred by the Debtor in the ordinary course of business during the Chapter 11 Case or assumed by the Debtor prior to the Effective Date shall be paid or performed in the ordinary course of business. The Debtor or Reorganized Debtor will fund distributions under this Plan with Cash on hand.

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

If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in Article VII hereof.

B. *Special Rules for Distributions to Holders of Disputed Claims*

Except as otherwise agreed by the relevant parties: (i) no partial payments and no partial distributions shall be made with respect to a Disputed Claim until all such disputes in connection with such Disputed Claim have been resolved by settlement or Final Order; and (ii) any Entity that holds both an Allowed Claim and a Disputed Claim shall not receive any distribution on the Allowed Claim unless and until all objections to the Disputed Claim have been resolved by settlement or Final Order or such Claims or Interests have been Allowed or expunged.

C. *Rights and Powers of Distribution Agent*

1. Powers of the Distribution Agent

The Distribution Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under this Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Distribution Agent by order of the Bankruptcy Court, pursuant to this Plan, or as deemed by the Distribution Agent to be necessary and proper to implement the provisions hereof.

2. Expenses Incurred on or After the Effective Date

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Distribution Agent on or after the Effective Date (including taxes), and any reasonable compensation and expense reimbursement Claims (including reasonable attorneys' fees and expenses), made by the Distribution Agent shall be paid in Cash by the Reorganized Debtor.

D. *Delivery of Distributions*

1. Record Date for Distributions

On the Distribution Record Date, the Claims Register shall be closed and any party responsible for making distributions shall instead be authorized and entitled to recognize only those record Holders listed on the Claims Register as of the close of business on the Distribution Record Date.

2. Delivery of Distributions in General

Except as otherwise provided herein, the Distribution Agent shall make distributions to Holders of Allowed Claims as of the Distribution Record Date, or, if applicable, to such Holder's designee, as appropriate: (a) at the address for each such Holder as indicated on the Debtor's records as of the Distribution Record Date; (b) to the signatory set forth on any Proof of Claim Filed (to the extent required by this Plan) by such Holder of an Allowed Rejection Damages Claim or other representative identified therein (or at the last known address of such Holder if no Proof of Claim is Filed or if the Debtor has not been notified in writing of a change of address); (c) at the address set forth in any written notices of address changes delivered to the Reorganized Debtor or the applicable Distribution Agent, as appropriate, after the date of any related Proof of Claim; or (d) on any counsel that has appeared in the Chapter 11 Case on the Holder's behalf; *provided* that the manner of such distributions shall be determined at the discretion of the Reorganized Debtor.

3. Undeliverable Distributions

In the event that any distribution to any Holder of Allowed Claims is returned as undeliverable, no distribution to such Holder shall be made unless and until the Distribution Agent has determined the then-

current address of such Holder, at which time such distribution shall be made to such Holder without interest; *provided* that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of one year from the Effective Date. After such date, all unclaimed property or interests in property shall revert to the Reorganized Debtor automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal, provincial or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any Holder of Claims to such property or interest in property shall be discharged and forever barred.

E. *Compliance with Tax Requirements/Allocations*

In connection with this Plan, to the extent applicable, the Reorganized Debtor shall comply with all tax withholding and reporting requirements imposed on the Reorganized Debtor by any Governmental Unit, and all distributions pursuant hereto shall be subject to such withholding and reporting requirements. Notwithstanding any provision in this Plan to the contrary, the Reorganized Debtor and the Distribution Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under this Plan to generate sufficient funds to pay applicable withholding taxes, including requiring as a condition to the receipt of a distribution, that the Holder of an Allowed Claim complete an IRS Form W-8 or W-9, as applicable. The Reorganized Debtor reserves the right to allocate all distributions made under this Plan in compliance with all applicable wage garnishments, alimony, child support and other spousal awards, Liens, and encumbrances.

F. *Allocation of Distributions Between Principal and Interest*

Except as otherwise required by law, distributions with respect to an Allowed Claim shall be allocated first to the principal portion of such Allowed Claim (as determined for United States federal income tax purposes) and, thereafter, to the remaining portion of such Allowed Claim, if any.

G. *Means of Cash Payment*

Payments of Cash made pursuant to this Plan shall be in United States dollars and shall be made, at the option of the Debtor or the Reorganized Debtor (as applicable), by checks drawn on, or wire transfer from, a domestic bank selected by the Debtor or the Reorganized Debtor.

H. *Setoffs and Recoupment*

Except as otherwise provided herein, the Reorganized Debtor, pursuant to the Bankruptcy Code (including section 553 of the Bankruptcy Code), applicable bankruptcy or non-bankruptcy law, or as may be agreed to by the Holder of an Allowed Claim, may set off or recoup against any Allowed Claim and the distributions to be made pursuant to this Plan on account of such Allowed Claim, any Claims, rights, and Causes of Action of any nature that the Debtor or the Reorganized Debtor may hold against the Holder of such Allowed Claim, to the extent such Claims, rights, or Causes of Action have not been otherwise compromised, settled, or assigned on or prior to the Effective Date (whether pursuant to this Plan, a Final Order or otherwise); *provided* that neither the failure to effect such a setoff or recoupment nor the allowance of any Claim pursuant to this Plan shall constitute a waiver or release by the Reorganized Debtor of any such Claims, rights, and Causes of Action.

Article VII.

**ALLOWANCE OF CLAIMS AND PROCEDURES FOR
RESOLVING CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS**

A. *Proofs of Claim*

Notwithstanding section 502(a) of the Bankruptcy Code, Holders of Claims (other than Holders of Rejection Damages Claims, solely to the extent any such Holder asserts an Unscheduled Rejection Damages Claim) need not File Proofs of Claim, and the Reorganized Debtor and the Holders of Claims shall determine, adjudicate, and resolve any disputes over the validity and amounts of such Claims in the ordinary course of business as if the Chapter 11 Case had not been commenced except that (unless expressly waived pursuant to this Plan) the Allowed amount of such Claims shall be subject to the limitations or maximum amounts permitted by the Bankruptcy Code, including sections 502 and 503 of the Bankruptcy Code, to the extent applicable. Upon the Effective Date, all Proofs of Claim Filed against the Debtor (other than timely Filed Proofs of Claim on account of Unscheduled Rejection Damages Claims), regardless of the time of filing, and including Proofs of Claim Filed after the Effective Date, shall be deemed withdrawn, expunged, and Disallowed without further action of the Debtor, other than as may be provided herein. Notwithstanding anything in this Plan to the contrary, disputes regarding the amount of any Rejection Damages Claim shall in all cases be determined by the Bankruptcy Court.

For the avoidance of doubt, there is no requirement to File a Proof of Claim (or move the Bankruptcy Court for allowance) to be an Allowed Claim, as applicable, under this Plan, except to the extent the Holder of such Claim asserts an Unscheduled Rejection Damages Claim. **Except as otherwise provided herein, all Proofs of Claim asserting Rejection Damages that are Filed after the Rejection Damages Bar Date shall be Disallowed and forever barred, estopped, and enjoined from assertion, and shall not be enforceable against the Reorganized Debtor, without the need for any objection by the Reorganized Debtor or any further notice to or action, order, or approval of the Bankruptcy Court.**

The Reorganized Debtor shall reserve sufficient Cash to make an appropriate distribution on account of any Disputed Rejection Damages Claim as if that Rejection Damages Claim were an Allowed Rejection Damages Claim on the Effective Date; *provided*, that the amount of Cash reserved for a Disputed Rejection Damages Claim shall be the amount Scheduled for such Rejection Damages Claim. If and when any Disputed Rejection Damages Claim becomes an Allowed Rejection Damages Claim, the Debtor shall pay the Holder of such Rejection Damages Claim Cash sufficient to pay the Allowed amount of such Rejection Damages Claim in full from the Reorganized Debtor's reserves. If a Disputed Rejection Damages Claim or any portion thereof becomes Disallowed, all reserved Cash attributable to such Disputed Rejection Damages Claim shall revert to the Reorganized Debtor automatically and without need for a further order of the Bankruptcy Court.

B. *Allowance and Disallowance of Claims*

After the Effective Date, and except as otherwise provided in this Plan, the Reorganized Debtor shall have and shall retain any and all available rights and defenses that the Debtor had with respect to any Claim immediately prior to the Effective Date, including the right to assert any objection to Claims based on the limitations imposed by section 502 of the Bankruptcy Code. The Debtor and the Reorganized Debtor may, but are not required to, contest the amount and validity of any Disputed Claim or contingent or unliquidated Claim in the ordinary course of business in the manner and venue in which such Claim would have been determined, resolved or adjudicated if the Chapter 11 Case had not been commenced.

All Claims and Interests of any Entity from which property is sought by the Debtor under sections 542, 543, 550, or 553 of the Bankruptcy Code or that the Debtor or the Reorganized Debtor alleges is a transferee of a transfer that is avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code shall be Disallowed if: (i) the Entity, on the one hand, and the Debtor or the Reorganized Debtor, as applicable, on the other hand, agree or the Bankruptcy Court has determined by Final Order that such Entity or transferee is liable to turn over any property or monies under any of the aforementioned sections of the Bankruptcy Code; and (ii) such Entity or transferee has failed to turn over such property by the date set forth in such agreement or Final Order.

C. *Claims Administration Responsibilities*

Except as otherwise specifically provided in this Plan, after the Effective Date, the Reorganized Debtor shall have the sole authority: (1) to File, withdraw, or litigate to judgment, objections to Claims or Interests; (2) to settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court. For the avoidance of doubt, except as otherwise provided herein, from and after the Effective Date, the Reorganized Debtor shall have and retain any and all rights and defenses such Debtor had immediately before the Effective Date with respect to any Disputed Claim, including the Causes of Action retained pursuant to this Plan.

Notwithstanding the foregoing, the Debtor and Reorganized Debtor shall be entitled to dispute and/or otherwise object to any General Unsecured Claim in accordance with applicable non-bankruptcy law. If the Debtor or Reorganized Debtor dispute any General Unsecured Claim, such dispute shall be determined, resolved, or adjudicated, as the case may be, in the manner as if the Chapter 11 Case had not been commenced; *provided*, that any disputes regarding the Allowance of a Rejection Damages Claim shall be determined by the Bankruptcy Court. In any action or proceeding to determine the existence, validity, or amount of any General Unsecured Claim, any and all claims or defenses that could have been asserted by the Debtor or the Entity holding such General Unsecured Claim are preserved as if the Chapter 11 Case had not been commenced.

D. *Adjustment to Claims or Interests without Objection*

Any duplicate Claim or Interest or any Claim or Interest that has been paid, satisfied, amended, or superseded may be adjusted or expunged on the Claims Register by the Reorganized Debtor without the Reorganized Debtor having to File an application, motion, complaint, objection, or any other legal proceeding seeking to object to such Claim or Interest and without any further notice to or action, order, or approval of the Bankruptcy Court, except that the Reorganized Debtor shall File a notice specifying the adjustment or expungement of the Claim (and the reason for the same) and serve such notice on the affected claimant.

E. *Distributions After Allowance*

To the extent that a Disputed Rejection Damages Claim ultimately becomes an Allowed Rejection Damages Claim, distributions (if any) shall be made to the Holder of such Allowed Rejection Damages Claim in accordance with the provisions of this Plan. As soon as reasonably practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Rejection Damages Claim becomes a Final Order, the Reorganized Debtor shall provide to the Holder of such Rejection Damages Claim the distribution (if any) to which such Holder is entitled under this Plan as of the Effective Date.

Article VIII.

CONDITIONS PRECEDENT TO THE EFFECTIVE DATE

A. *Conditions Precedent to the Effective Date*

The following are conditions precedent to the Effective Date that must be satisfied or waived:

1. The Bankruptcy Court or another court of competent jurisdiction shall have entered the Combined Order, and such order shall be a Final Order.

2. All actions, documents, certificates, and agreements necessary to implement this Plan (including any Definitive Documents) shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable Governmental Units in accordance with applicable laws. All conditions precedent to the effectiveness of such documents and agreements shall have been satisfied or waived pursuant to the terms thereof (which may occur substantially concurrently with the occurrence of the Effective Date).

3. All authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate this Plan and the transactions contemplated herein shall have been obtained and shall be in full force and effect, and all applicable regulatory or government-imposed waiting periods shall have expired or been terminated.

4. The Debtor shall have established the reserve for Disputed Rejection Damages Claims in accordance with Article VII.A of this Plan; and

5. The Debtor shall have paid in full all professional fees and expenses of the Retained Professionals that require the Bankruptcy Court's approval or amounts sufficient to pay such fees and expenses after the Effective Date shall have been placed in escrow pending the Bankruptcy Court's approval of such fees and expenses.

B. *Waiver of Conditions*

Subject to section 1127 of the Bankruptcy Code, the conditions to Confirmation and consummation of this Plan set forth in this Article VIII may be waived by the Debtor without notice, leave or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate this Plan; *provided* that the conditions set forth in Article VIII.A.5 may be waived by only the Debtor with the consent of the affected Retained Professionals. The failure of the Debtor or Reorganized Debtor to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each right shall be deemed an ongoing right that may be asserted at any time.

C. *Effect of Non-Occurrence of Conditions to the Effective Date*

If the Confirmation or the consummation of this Plan does not occur, then this Plan shall be null and void in all respects and nothing contained in this Plan or the Disclosure Statement shall: (i) constitute a waiver or release of any claims by, Claims against, or Interests in the Debtor; (ii) prejudice in any manner the rights of the Debtor, any Holders or any other Person or Entity; (iii) constitute an Allowance of any Claim or Interest; or (iv) constitute an admission, acknowledgment, offer or undertaking by the Debtor, any Holders or any other Person or Entity in any respect.

D. *Substantial Consummation*

“Substantial consummation” of this Plan, as defined in section 1102(2) of the Bankruptcy Code, shall be deemed to occur on the Effective Date.

Article IX.

DISCHARGE, RELEASE, INJUNCTION, AND RELATED PROVISIONS

A. *Discharge of Claims*

Pursuant to and to the fullest extent permitted by section 1141(d) of the Bankruptcy Code, the distributions, rights, and treatment that are provided in this Plan shall be in full and final satisfaction, settlement, release, and discharge, effective as of the Effective Date, of Claims, Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, demands against, Liens on, obligations of, or rights against the Debtor or any of its assets or properties, regardless of whether any property shall have been distributed or retained pursuant to this Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtor prior to the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (i) a Proof of Claim based upon such debt or right is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (ii) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (iii) the Holder of such a Claim or Interest has accepted this Plan. The Combined Order shall be a judicial determination of the discharge of all Claims and Interests subject to the occurrence of the Effective Date.

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to this Plan, the provisions of this Plan shall constitute a good-faith compromise of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a Holder of a Claim or Interest may have with respect to any Allowed Claim or Interest or any distribution to be made on account of such Allowed Claim or Interest. The entry of the Combined Order shall constitute the Bankruptcy Court’s approval of the compromise or settlement of all such Claims, Interests, and controversies as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Debtor, its Estate, and Holders of Claims and Interests and is fair, equitable, and reasonable. In accordance with the provisions of this Plan, pursuant to Bankruptcy Rule 9019, without any further notice to or action, order, or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Debtor may compromise and settle Claims against the Debtor and its Estate and Causes of Action against other Entities.

B. *Releases by the Debtor*

Except as otherwise expressly set forth in this Plan or the Combined Order, pursuant to section 1123(b) of the Bankruptcy Code, as of the Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Released Party, and its respective successors, assigns, and Related Parties, is and is deemed to be forever and unconditionally released, absolved, acquitted, and discharged by the Debtor, its Estate, and the Reorganized Debtor, in each case on behalf of itself 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 Debtor, its Estate, and the Reorganized Debtor, from any and all Claims and Causes of Action, whether known or unknown,

including any derivative claims asserted or assertable on behalf of the Debtor, its Estate, or the Reorganized Debtor that such Entities would have been legally entitled to assert in their own right (whether individually or collectively) or that any Holder of any Claim against, or Interest in, a Debtor or other Entity, could assert on behalf of the Debtor, its Estate, and the Reorganized Debtor, based on or relating to, or in any manner arising from, in whole or in part, (i) the management, ownership, or operation of the Debtor or the Non-Debtor Affiliates; (ii) the purchase, sale, or rescission of any security of the Debtor or the Non-Debtor Affiliates; (iii) the subject matter of, or the transactions, events, circumstances, acts or omissions giving rise to, any Claim or Interest that is treated in this Plan, including the negotiation, formulation, or preparation of any transaction related to effectuating this Plan; (iv) the business or contractual arrangements between the Debtor or any Non-Debtor Affiliate and any other Entity; (v) the Debtor's and Non-Debtor Affiliates' in- or out-of-court restructuring efforts; (vi) intercompany transactions; (vii) the Definitive Documents, the Chapter 11 Case, the DIP Facility, or any transaction related to effectuating this Plan; (viii) any contract, instrument, release, or other agreement or document created or entered into in connection with the Definitive Documents, or any transaction related to effectuating this Plan; (ix) the distribution, including any disbursements made by a Distribution Agent, of property under this Plan or any other related agreement; or (x) any other act or omission, transaction, agreement, event, or other occurrence related to any of the foregoing and taking place on or before the Effective Date; *provided*, that the Debtor does not release Claims or Causes of Action arising out of, or related to, any act or omission of a Released Party that is determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction to have constituted actual fraud, gross negligence, or willful misconduct. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (a) any post Effective Date obligations of any party or Entity under this Plan, the Combined Order, any other Definitive Document, any transaction related to effectuating this Plan, any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement this Plan, or any Claim or obligation arising under this Plan or (b) any Causes of Action specifically retained by the Debtor pursuant to the Schedule of Retained Causes of Action.

Entry of the Combined 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 this Plan, and further, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (i) in exchange for the good and valuable consideration provided by each of the Released Parties, including the Released Parties' substantial contributions to implementing this Plan and facilitating any related transaction; (ii) a good-faith settlement and compromise of the Claims released by the Debtor Release; (iii) in the best interests of the Debtor and all Holders of Claims and Interests; (iv) fair, equitable, and reasonable; (v) given and made after due notice and opportunity for hearing; and (vi) a bar to any of the Debtor, the Reorganized Debtor, or the Debtor's Estate asserting any Claim or Cause of Action released pursuant to the Debtor Release.

C. *Releases by Holders of Claims and Interests*

Except as otherwise expressly set forth in this Plan or the Combined Order, as of the Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Releasing Party, in each case on behalf of itself and its respective successors, assigns, and Related Parties, 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, has and is deemed to have, forever and unconditionally (x) released, absolved, acquitted, and discharged the Debtor and the Reorganized Debtor and (y) released absolved, and acquitted every other Released Party from any and all Claims and Causes of Action, whether known or unknown, including any derivative claims asserted or assertable on behalf of the Debtor, its Estate, or the Reorganized Debtor that such Entities 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, could assert on behalf of the Debtor, its Estate, and the Reorganized Debtor, based on or relating to, or in any manner arising from, in whole or in part, (i) the management, ownership, or operation of the Debtor or the Non-Debtor Affiliates; (ii) the purchase, sale, or rescission of any security of the Debtor or the Non-Debtor Affiliates; (iii) the subject matter of, or the transactions, events, circumstances, acts or omissions giving rise to, any Claim or Interest that is treated in the this Plan, including the negotiation, formulation, or preparation of any transaction related to effectuating this Plan; (iv) the business or contractual arrangements between the Debtor or any Non-Debtor Affiliate and any other Entity; (v) the Debtor and Non-Debtor Affiliates' in- or out-of-court restructuring efforts; (vi) intercompany transactions; (vii) the Definitive Documents, the Chapter 11 Case, the DIP Facility, or any transaction related to effectuating this Plan; (viii) any contract, instrument, release, or other agreement or document created or entered into in connection with the Definitive Documents or any transaction related to effectuating this Plan; (ix) the distribution, including any disbursements made by a Distribution Agent, of property under this Plan or any other related agreement; or (x) any other act or omission, transaction, agreement, event, or other occurrence related to any of the foregoing and taking place on or before the Effective Date; *provided*, that the Releasing Parties do not release Claims or Causes of Action arising out of, or related to, any act or omission of a Released Party that is determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction to have constituted actual fraud, gross negligence, or willful misconduct; *provided further*, that the foregoing "Claimant Releases" shall not operate to waive or release any Cause of Action of any Releasing Party against a Released Party arising from any obligations owed to the Releasing Party that is wholly unrelated to the Debtor or the Reorganized Debtor. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (a) any post Effective Date obligations of any party or Entity under this Plan, the Combined Order, any other Definitive Document, any transaction related to effectuating this Plan, any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement this Plan, or any Claim or obligation arising under this Plan or (b) any Causes of Action specifically retained by the Debtor pursuant to the Schedule of Retained Causes of Action.

Entry of the Combined Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Claimant Release, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute the Bankruptcy Court's finding that the Claimant Release is: (i) consensual; (ii) essential to the confirmation of this Plan; (iii) given in exchange for the good and valuable consideration provided by each of the Released Parties, including the Released Parties' substantial contributions to implementing this Plan and facilitating any related transaction; (iv) a good-faith settlement and compromise of the Claims released by the Claimant Release; (v) in the best interests of the Debtor and its Estate; (vi) fair, equitable, and reasonable; (vii) given and made after due notice and opportunity for hearing; and (viii) a bar to any of the Releasing Parties asserting any Claim or Cause of Action released pursuant to the Claimant Release.

D. *Exculpation*

Effective as of the Effective Date, the Exculpated Parties shall neither have nor incur any liability to any Person or Entity for any Claims or Causes of Action or for any act taken or omitted to be taken on or after the Petition Date and prior to or on the Effective Date in connection with, or related to, (i) the administration of the Chapter 11 Case; (ii) commencement of the Chapter 11 Case; (iii) pursuit of Confirmation; (iv) negotiation, preparation, and consummation of this Plan; (v) making distributions under this Plan; (vi) the Disclosure Statement; (vii) Confirmation of this Plan; (viii) the occurrence of the Effective Date; (ix) the administration of this Plan or the property to be distributed under this Plan; (x) the retention of Interests under or in connection with this Plan;

or (xi) the transactions or documentation in furtherance of any of the foregoing, including any postpetition, pre-Effective Date act taken or omitted to be taken in connection with or in contemplation of any restructuring of the Debtor, the approval of the Disclosure Statement or Confirmation or consummation of this Plan; *provided*, that the foregoing provisions of this exculpation shall not operate to waive or release: (a) any Causes of Action arising from willful misconduct, actual fraud, or gross negligence of such applicable Exculpated Party as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction; and/or (b) the rights of any Person or Entity to enforce this Plan and the contracts, instruments, releases, indentures, and other agreements and documents delivered under or in connection with this Plan or assumed pursuant to this Plan or Final Order of the Bankruptcy Court; provided, further, that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning its respective duties pursuant to, or in connection with, the above referenced documents, actions or inactions. The foregoing exculpation shall be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person. Notwithstanding the foregoing, nothing in this section shall or shall be deemed to prohibit the Debtor from asserting and enforcing any Claims, obligations, suits, judgments, demands, debts, rights, Causes of Action or liabilities they may have against any Person that is based upon an alleged breach of a confidentiality or non-compete obligation owed to the Debtor, in each case unless otherwise expressly provided for in this Plan. This exculpation will be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable law or rules protecting such Exculpated Parties from liability.

E. *Permanent Injunction*

Except as otherwise provided in this Plan or the Combined Order, all Entities who have held, hold, or may hold Claims, Interests, Causes of Action, or liabilities that: (a) are compromised or settled under this Plan (including pursuant to Articles II and III of this Plan); (b) have been released pursuant to this Plan; (c) are subject to exculpation pursuant to this Plan (but only to the extent of the exculpation provided in this Plan), or (d) are otherwise satisfied, stayed or terminated pursuant to the terms of this Plan, are permanently enjoined and precluded, on and after the Effective Date, from: (i) commencing, conducting or continuing in any manner, directly or indirectly, any action or other proceeding of any kind (including any proceeding in a judicial, arbitral, administrative or other forum) on account of any such Claims, Interests, Causes of Action, or liabilities against the Debtor or its successors or any Entity released or exculpated (or the property or estate of any such Entity); (ii) enforcing, levying, attaching (including any pre-judgment attachment), collecting or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree or order on account of any such Claims, Interests, Causes of Action, or liabilities against the Debtor or any Entity released or exculpated, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Entities, or any property of any such transferee or successor; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind on account of any such Claims, Interests, Causes of Action, or liabilities against the Debtor or any Entity released or exculpated, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Entities, or any property of any such transferee or successor; or (iv) asserting any right of setoff, subrogation, or recoupment of any kind on account of any such Claims, Interests, Causes of Action, or liabilities against any obligation due from such Entities (including the Debtor or its successors) or against the property of such Entities including the Debtor or its successors unless such Entity has Filed a motion requesting the right to perform such setoff on or before the Effective Date or has Filed a Proof of Claim or proof of Interest indicating that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise.

Article X.

RETENTION OF JURISDICTION

Notwithstanding the entry of the Combined Order and the occurrence of the Effective Date, except to the extent set forth herein or under applicable federal law, the Bankruptcy Court shall retain jurisdiction over all matters arising out of, or related to, the Chapter 11 Case and this Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

A. allow, disallow, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the secured or unsecured status, priority, amount, or allowance of Claims or Interests;

B. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Retained Professionals authorized pursuant to the Bankruptcy Code or this Plan;

C. resolve any matters related to: (i) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Cure Costs or Rejection Damages Claims arising therefrom, including pursuant to section 365 of the Bankruptcy Code; (ii) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; and (iii) any dispute regarding whether a contract or lease is or was executory or expired;

D. ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of this Plan and the Combined Order;

E. adjudicate, decide, or resolve any motions, adversary proceedings, contested, or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;

F. adjudicate, decide, or resolve any and all matters related to Causes of Action;

G. adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;

H. resolve any cases, controversies, suits, or disputes that may arise in connection with any Claims, including Claim objections, allowance, disallowance, estimation, and distribution;

I. enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of this Plan, the Combined Order, and all contracts, instruments, releases, and other agreements or documents created in connection with this Plan, the Combined Order, or the Disclosure Statement;

J. enter and enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;

K. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the interpretation or enforcement of this Plan, the Combined Order, or any contract, instrument, release or other agreement or document that is entered into or delivered pursuant to this Plan or

the Combined Order, or any Entity's rights arising from or obligations incurred in connection with this Plan or the Combined Order;

L. issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with enforcement of this Plan or the Combined Order;

M. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the releases, injunctions, and other provisions contained in this Plan and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;

N. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim for amounts not timely repaid;

O. enter and implement such orders as are necessary or appropriate if the Combined Order is for any reason modified, stayed, reversed, revoked, or vacated;

P. determine any other matters that may arise in connection with or relate to this Plan, the Disclosure Statement, the Combined Order, or any contract, instrument, release, indenture, or other agreement or document created in connection with this Plan, the Combined Order, or the Disclosure Statement;

Q. enter an order or final decree concluding or closing the Chapter 11 Case;

R. consider any modification of this Plan, cure any defect or omission, or reconcile any inconsistency in any Bankruptcy Court order, including the Combined Order;

S. determine requests for payment of Claims and Interests entitled to priority pursuant to section 507 of the Bankruptcy Code;

T. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of this Plan, or the Combined Order, including disputes arising under agreements, documents, or instruments executed in connection with this Plan;

U. hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

V. hear and determine all disputes involving the existence, nature, or scope of the Debtor's discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date;

W. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the releases, injunctions, and exculpations provided under Article IX of this Plan;

X. resolve any disputes concerning whether a Person had sufficient notice of the Chapter 11 Case or the Disclosure Statement, in each case, for the purpose of determining whether a Claim or Interest is discharged hereunder or for any other purpose;

Y. enforce all orders previously entered by the Bankruptcy Court; and

Z. hear any other matter over which the Bankruptcy Court has jurisdiction.

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 Case, including the matters set forth in this Article X, the provisions of this Article X shall have no effect on and shall not control, limit, or prohibit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

Notwithstanding anything to the contrary in this Plan, the Bankruptcy Court's jurisdiction to hear and determine disputes concerning Claims against or Interests in the Debtor that arose prior to the Effective Date, including any Claims based in whole or in part on any conduct of the Debtor occurring on or before the Effective Date, shall be non-exclusive.

Article XI.

MODIFICATION, REVOCATION, OR WITHDRAWAL OF PLAN

A. Modification of Plan

Subject to the limitations contained in this Plan, the Debtor or Reorganized Debtor reserve the right to, in accordance with the Bankruptcy Code and the Bankruptcy Rules: (i) amend or modify this Plan prior to the entry of the Combined Order, including amendments or modifications to satisfy section 1129(b) of the Bankruptcy Code; (ii) amend or modify this Plan after the entry of the Combined Order in accordance with section 1127(b) of the Bankruptcy Code upon order of the Bankruptcy Court; and (iii) remedy any defect or omission or reconcile any inconsistency in this Plan in such manner as may be necessary to carry out the purpose and intent of this Plan upon order of the Bankruptcy Court.

B. Effect of Confirmation on Modifications

Entry of the Combined Order shall mean that all modifications or amendments to this Plan are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure under Bankruptcy Rule 3019.

C. Revocation of Plan; Reservation of Rights if Effective Date Does Not Occur

Subject to the conditions to the Effective Date, the Debtor reserves the right to revoke or withdraw this Plan prior to the entry of the Combined Order and to File subsequent Plans of reorganization. If the Debtor revokes or withdraws this Plan, or if entry of the Combined Order or the Effective Date does not occur, then: (i) this Plan shall be null and void in all respects; (ii) any settlement or compromise embodied in this Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected by this Plan, and any document or agreement executed pursuant hereto shall be deemed null and void; and (iii) nothing contained in this Plan shall: (a) constitute a waiver or release of any Claims by or against, or any Interest in, such Debtor or any other Entity; (b) prejudice in any manner the rights of the Debtor or any other Entity; or (c) constitute an admission of any sort by the Debtor or any other Entity.

Article XII.

MISCELLANEOUS PROVISIONS

A. Immediate Binding Effect

Notwithstanding Bankruptcy Rules 3020(e), 6004(g), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of this Plan and the documents and instruments contained in the Plan

Supplement shall be immediately effective and enforceable and deemed binding upon the Debtor, the Reorganized Debtor, all Holders of Claims, all Entities that are parties to or are subject to the settlements, compromises, releases, discharges, and injunctions described in this Plan, any Entity acquiring property under this Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases, and notwithstanding whether or not such Person or Entity will receive or retain any property, or interest in property, under this Plan or has Filed a Proof of Claim in the Chapter 11 Case. The Combined Order shall contain a waiver of any stay of enforcement otherwise applicable, including pursuant to Bankruptcy Rule 3020(e) and 7062.

B. *Additional Documents*

On or before the Effective Date, the Debtor may File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan. The Debtor or Reorganized Debtor, as applicable, and all Holders of Claims receiving distributions pursuant to this Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of this Plan or the Combined Order.

C. *Reservation of Rights*

This Plan shall have no force or effect unless and until the Bankruptcy Court enters the Combined Order. None of the Filing of this Plan, any statement or provision contained in this Plan, or the taking of any action by the Debtor with respect to this Plan, the Disclosure Statement, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of the Debtor with respect to the Holders of Claims prior to the Effective Date.

D. *Successors and Assigns*

The rights, benefits, and obligations of any Entity named or referred to in this Plan shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign, Affiliate, officer, director, agent, representative, attorney, beneficiaries or guardian, if any, of each Entity.

E. *No Successor Liability*

Except as otherwise expressly provided in this Plan and the Combined Order, the Reorganized Debtor (i) is not, and shall not be deemed to assume, agree to perform, pay or otherwise have any responsibilities for any liabilities or obligations of the Debtor or any other Person relating to or arising out of the operations or the assets of the Debtor on or prior to the Effective Date, (ii) is not, and shall not be, a successor to the Debtor by reason of any theory of law or equity or responsible for the knowledge or conduct of the Debtor prior to the Effective Date, and (iii) shall not have any successor or transferee liability of any kind or character.

F. *Service of Documents*

After the Effective Date, any pleading, notice, or other document required by this Plan to be served on or delivered to the Reorganized Debtor shall also be served on:

Debtor	Counsel to the Debtor
Bedmar, LLC 3115 Merryfield Row San Diego, California 92121 Attn: Christopher S. Sontchi	Richards, Layton & Finger, P.A. One Rodney Square 920 N. King Street Wilmington, Delaware 19801 Attn: Mark Collins, Michael Merchant, and Amanda Steele
United States Trustee	
Office of the United States Trustee for the District of Delaware 844 King Street, Suite 2207 Wilmington, Delaware 19801 Attn: Benjamin A. Hackman	

After the Effective Date, the Reorganized Debtor has authority to send a notice to Entities that, to continue to receive documents pursuant to Bankruptcy Rule 2002, they must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Reorganized Debtor is authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed such renewed requests.

G. *Term of Injunctions or Stays*

Unless otherwise provided in this Plan or in the Combined Order, all injunctions or stays in effect in the Chapter 11 Case pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in this Plan or the Combined Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in this Plan or the Combined Order shall remain in full force and effect in accordance with their terms.

H. *Time Bar to Cash Payments*

Checks issued by the Reorganized Debtor in respect of Allowed Claims shall be null and void if not negotiated within sixty (60) days after the date of issuance thereof. Requests for reissuance of any check shall be in writing to the Reorganized Debtor by the Holder of the Allowed Claim to whom such check originally was issued. Any such written claim in respect of such a voided check must be received by the Reorganized Debtor on or before 60 days after the expiration of the 60-day period following the date of issuance of such check. Thereafter, the amount represented by such voided check shall irrevocably revert to the Reorganized Debtor free and clear of any restrictions. Any Claim in respect of such voided check shall be discharged and forever barred from assertion against the Debtor, the Estate, or the Reorganized Debtor.

I. *Entire Agreement*

On the Effective Date, this Plan and the Plan Supplement shall supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into this Plan.

J. *Governing Law*

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of Delaware, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of this Plan, the Plan Supplement, and any agreements, documents, instruments, or contracts executed or entered into in connection with this Plan, and corporate governance matters; *provided* that corporate governance matters relating to the Debtor or the Reorganized Debtor shall be governed by the laws of the State of Delaware.

K. *Exhibits*

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of this Plan as if set forth in full in this Plan. Except as otherwise provided in this Plan, such exhibits and documents included in the Plan Supplement shall initially be Filed with the Bankruptcy Court on or before the Plan Supplement Filing Date. After the exhibits and documents are Filed, copies of such exhibits and documents shall have been available upon written request to the Debtor's counsel at the address above or by downloading such exhibits and documents from the PACER website at www.deb.uscourts.gov. To the extent any exhibit or document is inconsistent with the terms of this Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of this Plan shall control.

L. *Nonseverability of Plan Provisions upon Confirmation*

If, prior to Confirmation, any term or provision of this Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of this Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Combined Order shall constitute a judicial determination and shall provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (i) valid and enforceable pursuant to its terms; (ii) integral to this Plan and may not be deleted or modified without the consent of the Debtor; and (iii) nonseverable and mutually dependent.

M. *Closing of Chapter 11 Case*

The Reorganized Debtor shall, promptly after the full administration of the Chapter 11 Case, File with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Chapter 11 Case.

N. *Conflicts*

To the extent that any provision of the Disclosure Statement, or any order entered prior to Confirmation (for avoidance of doubt, not including the Combined Order) referenced in this Plan (or any exhibits, appendices, supplements, or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of this Plan, this Plan shall govern and control. To the extent that any provision of this Plan conflicts with or is in any way inconsistent with any provision of the Combined Order, the Combined Order shall govern and control.

O. *Section 1125(e) Good Faith Compliance*

The Debtor, the Reorganized Debtor, and each of their respective current and former officers, directors, members (including *ex officio* members), managers, employees, partners, advisors, attorneys, professionals, accountants, investment bankers, investment advisors, actuaries, Affiliates, financial advisors, consultants, agents, and other representatives of each of the foregoing Entities (whether current or former, in each case in his, her or its capacity as such), shall be deemed to have acted in “good faith” under section 1125(e) of the Bankruptcy Code.

Respectfully submitted, as of the date first set forth above,

Bedmar, LLC

By: /s/ Christopher S. Sontchi

Name: Christopher S. Sontchi

Title: Independent Manager

Schedule A**Schedule of Rejection Damages Claims¹**

Counterparty and Address	Debtor Role	Location of Property			Scheduled Amount
		Street Address	City	State	
92 Crowley Owner (DE) LLC 125 Summer Street, 12th Floor, Boston, MA 02110	Lessee	92 Crowley Drive	Marlborough	MA	\$17,120,351.42
CEGM Alachua, LLC 200 West Madison Street, Suite 2800, Chicago, Illinois 60606	Lessee	13141 N.W. Nano Court	Alachua	FL	\$5,826,470.50
ARE-SD Region No. 23, LLC 26 North Euclid Avenue Pasadena, CA 91101	Lessee	3115 Merryfield Row	San Diego	CA	\$3,650,065.17
Orchard Therapeutics North America 101 Seaport Boulevard, 7th floor, Boston, Massachusetts 02210	Lessee	800 Corporate Way	Fremont	CA	\$2,951,934.98

¹ Scheduled amounts of Rejection Damages Claims include outstanding prepetition CAM reconciliation balances and credits for the respective Executory Contract or Unexpired Lease (as applicable).

Counterparty and Address	Debtor Role	Location of Property			Scheduled Amount
		Street Address	City	State	
Cobalt PropCo 2020, LLC 345 California Street, Suite 300, San Francisco, CA 94104	Lessee	28 Crosby Drive	Bedford	MA	\$6,533,109.85
Kavenish, LTD LP, and NBTk Holdings, LP 10620 Treena Street, Suite 110, San Diego, CA 92131	Lessee	10792 Roselle Street	San Diego	CA	\$226,757.28
President and Fellows of Harvard College c/o Harvard Real Estate 1350 Massachusetts Avenue Holyoke Center, Suite 949 Cambridge, MA 02138	Lessee	500 Soldiers Field Road	Allston	MA	\$76,696.13
1733 TW Alexander Owner (DE) LLC 100 Adelaide St W, Suite 900, Toronto, ON M5E 0E2, Canada	Guarantor	1733 TW Alexander Drive	Durham	NC	\$0
CubicPV Inc. 28 Crosby Drive, Unit 2500, Bedford, MA 01730	Sublessor	28 Crosby Drive	Bedford	MA	\$0
100% Speedlab, LLC 10792 Roselle Street, San Diego, CA 92121	Sublessor	10792 Roselle Street	San Diego	CA	\$0

File a Plan:

[25-11027-JKS Bedmar, LLC](#)

Type: bk

Chapter: 11 v

Office: 1 (Delaware)

Assets: y

Judge: JKS

Case Flag: VerifDue, PlnDue,
DsclsDue

U.S. Bankruptcy Court

District of Delaware

Notice of Electronic Filing

The following transaction was received from Amanda R. Steele entered on 6/10/2025 at 2:08 AM EDT and filed on 6/10/2025

Case Name: Bedmar, LLC

Case Number: [25-11027-JKS](#)

Document Number: [7](#)

Docket Text:

Chapter 11 Plan of Reorganization (*Prepackaged Plan of Reorganization of Bedmar, LLC Under Chapter 11 of the Bankruptcy Code*) Filed by Bedmar, LLC (Steele, Amanda)

The following document(s) are associated with this transaction:

Document description:Main Document

Original filename:Bedmar - Plan.pdf

Electronic document Stamp:

[STAMP bkecfStamp_ID=983460418 [Date=6/10/2025] [FileNumber=19244165-0]
] [9a85ef73757fd2b4a5b2547b2dd77ea71d7fcf0aab86306294bf77a83aff7e532ee
10f4e90bb11e7b7b0d865e5dfb619ccd23db965c0e56ca3f98157f3b4dbd3]]

25-11027-JKS Notice will be electronically mailed to:

Michael Joseph Merchant on behalf of Debtor Bedmar, LLC
merchant@rlf.com, rbgroup@rlf.com;ann-jerominski-2390@ecf.pacerpro.com;rebecca--speaker-6328@ecf.pacerpro.com

Amanda R. Steele on behalf of Debtor Bedmar, LLC
steele@rlf.com, rbgroup@rlf.com;ann-jerominski-2390@ecf.pacerpro.com;rebecca--speaker-6328@ecf.pacerpro.com

U.S. Trustee
USTPRegion03.WL.ECF@USDOJ.GOV

25-11027-JKS Notice will not be electronically mailed to: