

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

ASCEND PERFORMANCE MATERIALS
HOLDINGS INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 25-90127 (CML)
)
)
) (Jointly Administered)
)

**DISCLOSURE STATEMENT FOR THE
JOINT CHAPTER 11 PLAN OF REORGANIZATION OF ASCEND
PERFORMANCE MATERIALS HOLDINGS INC. AND ITS DEBTOR AFFILIATES²**

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Dated: August 12, 2025

¹ A complete list of each of the Debtors in these Chapter 11 Cases may be obtained on the website of the Debtors' Claims and Noticing Agent at <https://dm.epiq11.com/Ascend>. The location of Debtor Ascend Performance Materials Holdings Inc.'s principal place of business is 1010 Travis St., Suite 900, Houston, Texas 77002.

² All Definitive Documents (as defined herein and in the DIP Term Loan Credit Agreement), including the Plan and Disclosure Statement, remain subject to ongoing review, revision, and further negotiation by the Debtors, Ad Hoc Group, the Agents, and DIP ABL Lenders who have various consent rights over the final forms of Definitive Documents. Definitive Documents may be amended, modified, supplemented, and revised in accordance with those ongoing negotiations. All parties reserve their rights to make additional revisions to the Plan and Disclosure Statement.

IMPORTANT INFORMATION ABOUT THIS DISCLOSURE STATEMENT

EACH OF THE DEBTORS STRONGLY RECOMMENDS THAT ALL HOLDERS OF CLAIMS THAT ARE BEING SOLICITED SUBMIT BALLOTS TO ACCEPT THE PLAN BY RETURNING THEIR BALLOTS SO AS TO BE ACTUALLY RECEIVED BY THE CLAIMS AND NOTICING AGENT NO LATER THAN OCTOBER 17, 2025 AT 4:00 P.M. (PREVAILING CENTRAL TIME) PURSUANT TO THE INSTRUCTIONS SET FORTH HEREIN AND ON THE BALLOTS. THE BOARD OF DIRECTORS, SOLE STOCKHOLDER, MEMBER, OR MANAGER, AS APPLICABLE, FOR EACH OF THE DEBTORS HAS APPROVED THE TRANSACTIONS CONTEMPLATED BY THE PLAN AND DESCRIBED IN THIS DISCLOSURE STATEMENT, AND EACH DEBTOR BELIEVES THAT THE COMPROMISES CONTEMPLATED UNDER THE PLAN ARE FAIR AND EQUITABLE, MAXIMIZE THE VALUE OF EACH OF THE DEBTORS' ESTATES, AND PROVIDE THE BEST POSSIBLE RECOVERIES TO HOLDERS OF CLAIMS. AT THIS TIME, EACH DEBTOR BELIEVES THAT THE PLAN AND RELATED TRANSACTIONS REPRESENT THE BEST ALTERNATIVE FOR ACCOMPLISHING THE DEBTORS' OVERALL RESTRUCTURING OBJECTIVES.

THE DEBTORS ARE PROVIDING THE INFORMATION IN THIS DISCLOSURE STATEMENT TO HOLDERS OF CLAIMS FOR PURPOSES OF SOLICITING VOTES TO ACCEPT OR REJECT THE JOINT CHAPTER 11 PLAN OF REORGANIZATION OF ASCEND PERFORMANCE MATERIALS HOLDINGS INC. AND ITS DEBTOR AFFILIATES³ NOTHING IN THIS DISCLOSURE STATEMENT FOR THE JOINT CHAPTER 11 PLAN OF REORGANIZATION OF ASCEND PERFORMANCE MATERIALS HOLDINGS INC. AND ITS DEBTOR AFFILIATES MAY BE RELIED UPON OR USED BY ANY ENTITY FOR ANY OTHER PURPOSE. BEFORE DECIDING WHETHER TO VOTE FOR OR AGAINST THE PLAN, EACH HOLDER OF A CLAIM ENTITLED TO VOTE ON THE PLAN SHOULD CAREFULLY CONSIDER ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT, INCLUDING THE RISK FACTORS DESCRIBED IN ARTICLE VIII HEREIN. IN THE EVENT OF ANY INCONSISTENCIES BETWEEN THE PLAN AND THE DISCLOSURE STATEMENT, THE PLAN SHALL GOVERN.

HOLDERS OF CLAIMS OR INTERESTS SHOULD NOT CONSTRUE THE CONTENTS OF THIS DISCLOSURE STATEMENT AS PROVIDING ANY LEGAL, BUSINESS, FINANCIAL, OR TAX ADVICE. THE DEBTORS URGE EACH HOLDER OF A CLAIM TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX, OR BUSINESS ADVICE IN REVIEWING THIS DISCLOSURE STATEMENT, THE PLAN, AND THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHERMORE, THE BANKRUPTCY COURT'S APPROVAL OF THE ADEQUACY OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL OF THE PLAN.

THIS DISCLOSURE STATEMENT CONTAINS, AMONG OTHER THINGS, SUMMARIES OF THE PLAN, CERTAIN STATUTORY PROVISIONS, AND CERTAIN EVENTS

³ Capitalized terms used but not otherwise defined in this Disclosure Statement have the meanings ascribed to such terms in the Plan. The summary of the Plan provided herein is qualified in its entirety by reference to the Plan. In the case of any inconsistency between this Disclosure Statement and the Plan, the Plan will govern.

AND ANTICIPATED EVENTS IN THE DEBTORS' CHAPTER 11 CASES. ALTHOUGH THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE, THESE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY TO THE EXTENT THAT THEY DO NOT SET FORTH THE ENTIRE TEXT OF SUCH DOCUMENTS OR STATUTORY PROVISIONS OR EVERY DETAIL OF SUCH ANTICIPATED EVENTS. IN THE EVENT OF ANY INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR ANY OTHER DOCUMENTS INCORPORATED HEREIN BY REFERENCE, THE PLAN OR SUCH OTHER DOCUMENTS WILL GOVERN FOR ALL PURPOSES. FACTUAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN PROVIDED BY THE DEBTORS' MANAGEMENT EXCEPT WHERE OTHERWISE SPECIFICALLY NOTED. THE DEBTORS DO NOT REPRESENT OR WARRANT THAT THE INFORMATION CONTAINED HEREIN OR ATTACHED HERETO IS WITHOUT ANY MATERIAL INACCURACY OR OMISSION.

IN PREPARING THIS DISCLOSURE STATEMENT, THE DEBTORS RELIED ON FINANCIAL DATA DERIVED FROM THE DEBTORS' BOOKS AND RECORDS AND ON VARIOUS ASSUMPTIONS REGARDING THE DEBTORS' BUSINESSES AND OPERATIONS. WHILE THE DEBTORS BELIEVE THAT SUCH FINANCIAL INFORMATION FAIRLY REFLECTS THE FINANCIAL CONDITION OF THE DEBTORS AS OF THE DATE HEREOF AND THAT THE ASSUMPTIONS REGARDING FUTURE EVENTS REFLECT REASONABLE BUSINESS JUDGMENTS, NO REPRESENTATIONS OR WARRANTIES ARE MADE AS TO THE ACCURACY OF THE FINANCIAL INFORMATION CONTAINED HEREIN OR ASSUMPTIONS REGARDING THE DEBTORS' BUSINESSES AND OPERATIONS OR THEIR FUTURE RESULTS. THE DEBTORS EXPRESSLY CAUTION READERS NOT TO PLACE UNDUE RELIANCE ON ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN.

THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE, AND MAY NOT BE CONSTRUED AS, AN ADMISSION OF FACT, LIABILITY, STIPULATION, OR WAIVER. THE DEBTORS OR ANY OTHER AUTHORIZED PARTY MAY SEEK TO INVESTIGATE, FILE, AND PROSECUTE CLAIMS AND MAY OBJECT TO CLAIMS AFTER THE CONFIRMATION OR EFFECTIVE DATE OF THE PLAN IRRESPECTIVE OF WHETHER THIS DISCLOSURE STATEMENT IDENTIFIES ANY SUCH CLAIMS OR OBJECTIONS TO CLAIMS.

THE DEBTORS ARE MAKING THE STATEMENTS AND PROVIDING THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AS OF THE DATE HEREOF, UNLESS OTHERWISE SPECIFICALLY NOTED. ALTHOUGH THE DEBTORS MAY SUBSEQUENTLY UPDATE THE INFORMATION IN THIS DISCLOSURE STATEMENT, THE DEBTORS HAVE NO AFFIRMATIVE DUTY TO DO SO, AND EXPRESSLY DISCLAIM ANY DUTY TO PUBLICLY UPDATE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS, OR OTHERWISE. HOLDERS OF CLAIMS REVIEWING THIS DISCLOSURE STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THIS DISCLOSURE STATEMENT WAS FILED. INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION, MODIFICATION, OR AMENDMENT. THE DEBTORS RESERVE THE RIGHT TO FILE AN AMENDED OR MODIFIED PLAN AND RELATED DISCLOSURE STATEMENT FROM TIME TO TIME, SUBJECT TO THE TERMS OF THE PLAN AND THE RESULTS OF THE INDEPENDENT INVESTIGATION.

THE DEBTORS HAVE NOT AUTHORIZED ANY ENTITY TO GIVE ANY INFORMATION ABOUT OR CONCERNING THE PLAN OTHER THAN THAT WHICH IS

CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTORS HAVE NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT.

IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT AND THE EFFECTIVE DATE OCCURS, ALL HOLDERS OF CLAIMS OR INTERESTS (INCLUDING THOSE HOLDERS OF CLAIMS OR INTERESTS WHO DO NOT SUBMIT BALLOTS TO ACCEPT OR REJECT THE PLAN, WHO VOTE TO REJECT THE PLAN, OR WHO ARE NOT ENTITLED TO VOTE ON THE PLAN) WILL BE BOUND BY THE TERMS OF THE PLAN AND THE RESTRUCTURING TRANSACTIONS CONTEMPLATED THEREBY.

THE CONFIRMATION AND EFFECTIVENESS OF THE PLAN ARE SUBJECT TO CERTAIN MATERIAL CONDITIONS PRECEDENT DESCRIBED HEREIN AND SET FORTH IN ARTICLE IX OF THE PLAN. THERE IS NO ASSURANCE THAT THE PLAN WILL BE CONFIRMED, OR IF CONFIRMED, THAT THE CONDITIONS REQUIRED TO BE SATISFIED FOR THE PLAN TO GO EFFECTIVE WILL BE SATISFIED (OR WAIVED).

YOU ARE ENCOURAGED TO READ THE PLAN AND THIS DISCLOSURE STATEMENT IN THEIR ENTIRETY, INCLUDING ARTICLE VIII, ENTITLED "RISK FACTORS" BEFORE SUBMITTING YOUR BALLOT TO VOTE ON THE PLAN.

THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE A GUARANTEE BY THE BANKRUPTCY COURT OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN OR AN ENDORSEMENT BY THE BANKRUPTCY COURT OF THE MERITS OF THE PLAN.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016(B) AND IS NOT NECESSARILY PREPARED IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER SIMILAR LAWS. THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY SIMILAR FEDERAL, STATE, LOCAL, OR FOREIGN REGULATORY AGENCY, NOR HAS THE SEC OR ANY OTHER AGENCY PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE DEBTORS HAVE SOUGHT TO ENSURE THE ACCURACY OF THE FINANCIAL INFORMATION PROVIDED IN THIS DISCLOSURE STATEMENT; HOWEVER, THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT OR INCORPORATED HEREIN BY REFERENCE HAS NOT BEEN, AND WILL NOT BE, AUDITED OR REVIEWED BY THE DEBTORS' INDEPENDENT AUDITORS UNLESS EXPLICITLY PROVIDED OTHERWISE HEREIN.

**SPECIAL NOTICE REGARDING FEDERAL AND STATE SECURITIES LAWS AND
FORWARD-LOOKING STATEMENTS**

The Plan and Disclosure Statement have neither been filed with, nor approved or disapproved by the United States Securities and Exchange Commission (the “SEC”) or any similar federal, state, local, or Non-U.S. regulatory authority, and neither the SEC nor any such similar regulatory authority has passed upon the accuracy or adequacy of the information contained in this Disclosure Statement or the Plan. The securities to be issued on or after the Effective Date will not have been the subject of a registration statement filed with the SEC under the Securities Act of 1933, as amended (the “Securities Act”), or any securities regulatory authority of any state under any state securities law (“Blue-Sky Laws”). Any representation to the contrary is a criminal offense in the United States. The securities may not be offered or sold within the United States or to, or for the account or benefit of, United States persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable laws of other jurisdictions. Hedging transactions involving New Interests may not be conducted unless in compliance with the Securities Act.

The Debtors may rely on section 1145(a) of the Bankruptcy Code to exempt from registration under the Securities Act and Blue-Sky Laws the offer, issuance, and distribution of New Interests to the extent permitted and available. However, certain New Interests issued pursuant to the Plan, including pursuant to the Equity Rights Offering, Management Incentive Plan, and the Exit Holdco Loan Conversion (to the extent applicable) are expected to be offered, issued, and distributed in reliance upon the exemption from registration provided by section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act and/or other exemptions from registration and similar Blue-Sky Laws; will be considered “restricted securities;” and may not be transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom. This Disclosure Statement does not constitute an offer to sell, or the solicitation of an offer to buy, securities in any state or jurisdiction in which such offer or solicitation is not authorized.

This Disclosure Statement contains “forward-looking statements” within the meaning of United States securities laws. Statements containing words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan,” “project,” “target,” “model,” “can,” “could,” “may,” “should,” “will,” “would,” or similar words or the negative thereof, constitute “forward-looking statements.” Nevertheless, not all forward-looking statements in this Disclosure Statement may contain one or more of these identifying terms. Forward-looking statements are based on the Debtors’ current expectations, beliefs, assumptions, and estimates. These statements are subject to significant risks, uncertainties, and assumptions that are difficult to predict and could cause actual results to differ materially and adversely from those expressed or implied in the forward-looking statements. The Debtors consider all statements regarding anticipated or future matters, including the following, to be forward-looking statements:

- The Debtors’ Plans, Objectives, and Expectations;
- The Debtors’ Business Strategy;
- The Debtors’ Financial Strategy, Budget, Projections, and Operating Results;
- The Debtors’ Financial Condition, Revenues, Cash Flows, and Expenses;
- The Success of the Debtors’ Operations;

- **The Costs of Conducting the Debtors' Operations;**
- **The Debtors' Levels of Indebtedness, Liquidity, and Compliance With Debt Covenants;**
- **The Level of Uncertainty Regarding the Debtors' Future Operating Results;**
- **The Amount, Nature, and Timing of the Debtors' Capital Expenditures;**
- **The Terms of Capital Available to the Debtors;**
- **The Debtors' Ability to Satisfy Future Cash Obligations;**
- **The Integration and Benefits of Asset and Property Acquisitions and/or the Effects of Asset and Property Acquisitions or Dispositions on the Debtors' Cash Position and Levels of Indebtedness;**
- **The Risks Associated with Certain of the Debtors' Acquisitions;**
- **The Effectiveness of the Debtors' Risk Management Activities;**
- **The Debtors' Counterparty Credit Risk;**
- **The Outcome of Pending and Future Litigation Claims;**
- **General Economic and Business Conditions (Including with Respect to Non-U.S. Currency Fluctuations, Tariffs and/or Trade Negotiations, Particularly With Respect To any Non-U.S. Markets Where the Debtors Conduct Business); and/or**
- **The Potential Adoption of New Governmental Regulations.**

Statements concerning these and other matters are not guarantees of the Reorganized Debtors' future performance. There are risks, uncertainties, and other important factors that could cause the Reorganized Debtors' actual performance or achievements to be different from those they may project, and the Debtors undertake no obligation to update the projections made herein. These risks, uncertainties and factors may include the following: (a) the Debtors' ability to confirm and consummate the Plan; (b) the potential that the Debtors may need to pursue an alternative transaction if the Plan is not confirmed; (c) the Debtors' ability to reduce their overall financial leverage; (d) the potential adverse impact of the Chapter 11 Cases on the Debtors' operations, management, and employees; (e) the risks associated with operating the Debtors' businesses during the Chapter 11 Cases; (f) customer responses to the Chapter 11 Cases; (g) the Debtors' inability to discharge or settle claims during the Chapter 11 Cases; (h) the Debtors' plans, objectives, business strategy, and expectations with respect to future financial results and liquidity, including the ability to finance operations in the ordinary course of business; (i) the Debtors' levels of indebtedness and compliance with debt covenants; (j) additional post-restructuring financing requirements; (k) the amount, nature, and timing of the Debtors' capital expenditures and cash requirements and the terms of capital available to the Debtors'; (l) the effect of competitive products, services, or procuring by competitors; (m) the outcome of pending and future litigation claims; (n) the proposed restructuring and costs associated therewith; (o) the effect of natural disasters, pandemics, and general economic and political conditions on the Debtors; (p) the Debtors' ability to implement cost-reduction initiatives in a timely manner; (q) adverse tax changes; (r) the terms and conditions of the New Interests, including the Rights Offering Interests, Management Incentive Plan, Exit ABL Facility,

and Exit Holdco Loan Conversion (to the extent applicable) to be entered into, or issued, as the case may be, pursuant to the Plan; (s) the results of renegotiating certain key commercial agreements and any disruptions to relationships with sellers, suppliers, and partners, among others; (t) compliance with laws and regulations; and (u) each of the other risks identified in this Disclosure Statement. Due to these uncertainties, you cannot be assured that any forward-looking statements will prove to be correct. The Debtors are under no obligation to (and expressly disclaim any obligation to) update or alter any forward-looking statements whether as a result of new information, future events, or otherwise, unless instructed to do so by the Bankruptcy Court.

You are cautioned that all forward-looking statements are necessarily speculative, and there are certain risks and uncertainties that could cause actual events or results to differ materially from those referred to in such forward-looking statements. The liquidation analysis, financial projections, and other projections and forward-looking information contained herein and attached hereto are only estimates, and the timing and amount of actual distributions to Holders of Allowed Claims among other things, may be affected by many factors that cannot be predicted. Any analyses, estimates, or recovery projections may or may not turn out to be accurate.

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EXHIBITS⁴

EXHIBIT A Plan of Reorganization

EXHIBIT B Corporate Organization Chart

⁴ Each Exhibit is incorporated herein by reference.

I. INTRODUCTION

Ascend Performance Materials Holdings Inc. (“Ascend Parent”) and its debtor affiliates, as debtors and debtors in possession (collectively, the “Debtors,” and together with Ascend Parent’s direct and indirect non-Debtor subsidiaries and affiliates, the “Company” or “Ascend”), submit this disclosure statement (the “Disclosure Statement”), pursuant to section 1125 of the Bankruptcy Code, to Holders of Claims against the Debtors in connection with the solicitation of votes for acceptance of the *Joint Chapter 11 Plan of Reorganization of Ascend Performance Materials Holdings Inc. and its Debtor Affiliates* (the “Plan”), dated August 12, 2025. A copy of the Plan is attached hereto as Exhibit A and incorporated herein by reference.

EACH OF THE DEBTORS AND THE AD HOC GROUP SUPPORT CONFIRMATION OF THE PLAN. THE DEBTORS BELIEVE THAT THE COMPROMISES CONTEMPLATED UNDER THE PLAN ARE FAIR AND EQUITABLE, MAXIMIZE THE VALUE OF THE DEBTORS’ ESTATES, AND PROVIDE THE BEST RECOVERY TO STAKEHOLDERS. ACCORDINGLY, THE DEBTORS BELIEVE THE PLAN REPRESENTS THE BEST AVAILABLE OPTION FOR COMPLETING THE CHAPTER 11 CASES. THE DEBTORS STRONGLY RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

II. PRELIMINARY STATEMENT

Ascend is one of the world’s largest, fully integrated producers of nylon, a plastic used in everyday essentials, like apparel, carpets, and toothbrushes, as well as new technologies, including electric vehicles and solar energy systems. Ascend’s business focuses predominately on the production and sale of a specific type of nylon, nylon 6,6 or “PA66,” and its chemical intermediates and downstream outputs. Ascend’s PA66 comprises approximately forty percent of the global market for air bags and tires and is used in approximately fifty percent of Lululemon Athletica Inc.’s “Nulu” yoga pants and sports bras. Ascend also produces and sells several of the key chemical inputs of PA66, operating up and down the PA66 value chain. Ascend has a global workforce of approximately 2,200 employees and operates eleven manufacturing facilities that span the United States, Mexico, Europe, and Asia.

Despite its strong performance and leading position in the industry, Ascend has faced significant headwinds since mid-2022 due to global economic malaise and reduced demand, each of which has acutely impacted Ascend’s performance across its business segments. Several of the key end markets for Ascend’s downstream and chemical intermediates businesses, including the manufacturing industry, have also been slow to recover to pre-pandemic levels of production due to destocking, inflation, labor shortages, and supply chain issues. These macroeconomic factors have caused the price of PA66 to decrease significantly.

Additionally, several new Chinese entrants have adopted aggressive pricing strategies to gain market share, including selling chemical intermediates and downstream products at a cash loss (or with the support of subsidies from the Chinese government). Ascend’s customers have demanded prices that are consistent with the prices offered by such Chinese competitors, contracting Ascend’s margins and straining its liquidity position. Due to Chinese competition and other factors, Ascend’s gross profit margin has compressed by almost four percent and EBITDA has declined by approximately fifty six percent since 2022.

Near the end of 2022, Ascend began proactively implementing several cost rationalization measures, including reducing its headcount, imposing operating cost-cutting measures, and shrinking its footprint in an attempt to improve margins and buoy its liquidity reserves. While these ongoing rationalization initiatives generated significant cost savings, enduring pricing pressure continued to impede margin growth, and the Company’s liquidity shortfall deepened as cash collections continued to fall.

Accordingly, the Company began effecting various liquidity management exercises including, among other things, imposing strict governance controls on spending decisions, deferring the payment of certain vendor obligations, entering into approximately \$250 million in sale leaseback transactions for assets in the United States, factoring of certain of the Company's foreign accounts receivables, and reducing inventory levels.

The Company's liquidity crisis became ever-more acute beginning in the fourth quarter of 2024 due to a series of negative events, including a fire at the Company's Pensacola facility, a Texas freeze impacting the Company's Chocolate Bayou facility, and a logistics delay at the Wilson Lock inland barge. The Company increased vendor payment deferrals in response, causing a large percentage of the Company's vendors, many of whom were critical sole-source providers, to begin applying increased pressure on Ascend by demanding cash in advance, tightening payment terms, threatening to remove rental equipment, and ceasing to supply goods and services. As a result, absent a near-term capital infusion, the Company would have been forced to shut down plant operations resulting in severe operational disruption.

Against the backdrop of these macroeconomic headwinds, declining liquidity, and near-term maturities, in early 2025, the Company engaged Kirkland & Ellis LLP ("Kirkland") as legal counsel, PJT Partners LP ("PJT") as investment banker, and FTI Consulting, Inc. ("FTI") as financial advisor, (collectively with Kirkland and PJT, the "Advisors"), to evaluate potential refinancing and restructuring options.

Beginning in January 2025, the Company, with the assistance of its Advisors, began to explore all strategic alternatives to alleviate pressure on its business, including seeking a capital infusion from several of its existing stakeholders, including certain of its lenders, counterparties to their sale leaseback agreements (the "Sale Leasebacks"), and majority and minority equityholders.

As part of these efforts, the Company and its Advisors also engaged with the Ad Hoc Group, represented by Gibson, Dunn & Crutcher LLP as legal counsel and Evercore, Inc. as investment banker, regarding a potential bridge financing facility and a value-maximizing path forward. At the same time, the Debtors engaged with lenders under the ABL Facility (the "ABL Lenders") represented by Greenberg Traurig, LLP as U.S. legal counsel, Mayer Brown International, as U.K. legal counsel, and Carl Marks Advisory Group LLC as financial advisor, regarding potential accommodations from the ABL Lenders to improve the Debtors' near-term liquidity position.

On March 7, 2025, the Company and the Ad Hoc Group reached an agreement on a \$40 million super-senior priority new-money term loan facility with flexibility to be upsized by another \$60 million (on an uncommitted basis) to bridge the Company to a potential chapter 11 filing (the "Bridge Facility"). In light of the Company's continued liquidity needs and ongoing pressure from its vendors, on March 25, 2025, and April 1, 2025, the Company requested, and the Bridge Lenders provided, additional tranches of \$35 million and \$45 million, respectively, in new-money financing under the Bridge Facility. The Bridge Lenders also gave the Company flexibility to upsize the Bridge Facility by an additional \$40 million (on an uncommitted basis).

Negotiations with the ABL Lenders progressed in parallel with Bridge Facility discussions. On April 1, 2025, the Debtors, the ABL Agent, and the ABL Lenders entered into a forbearance agreement (the "ABL Forbearance Agreement") whereby the ABL Lenders and the ABL Agent agreed to forbear from exercising any rights and remedies in respect of the Specified Defaults (as defined in the ABL Forbearance Agreement), other than a default rate of interest until April 30, 2025. The ABL Forbearance Agreement also provided for entry into a cash dominion period whereby the ABL Agent was permitted to exercise dominion and control over the Company's deposit accounts in light of the Debtors' ongoing default under the ABL Credit Agreement. During this period, the ABL Agent was permitted on a daily basis to apply funds in certain of the Debtors' accounts against any amounts owing on account of the ABL Facility before

such funds became available for use by the Debtors. The Company also entered into a forbearance agreement (the “Term Loan Forbearance Agreement”) with the Term Loan Agent (as defined below) and the Term Loan Lenders under which they agreed not to exercise any rights and remedies, other than a default rate of interest, with respect to the Specified Defaults (as defined in the Term Loan Forbearance Agreement) under the Term Loan Credit Agreement. Additionally, as part of the negotiations mentioned above, including conversations around adequate time and preparation for an orderly chapter 11 filing, the ABL Lenders, Bridge Lenders, and Term Loan Lenders agreed to certain amendments and waivers that allowed the Debtors to access an incremental \$15 million in liquidity in the week before the Petition Date.

While the Bridge Facility and the accommodations from the ABL Lenders and the Term Loan Lenders were effective in alleviating a near-term liquidity strain, providing the Company with the requisite short-term financing to avoid severe operational destruction, and offered a potential bridge to a chapter 11 filing, overdue accounts payable continued to mount, and it soon became clear that a more comprehensive transaction was necessary to stabilize its financial position. Accordingly, the Company and its Advisors engaged with the ABL Lenders, Bridge Lenders, and Term Loan Lenders regarding the terms of the Chapter 11 Cases and the DIP Facilities. After good-faith, arms’ length negotiations, the parties reached an agreement in principle regarding the terms of the DIP Facilities, which provided approximately \$900 million in debtor-in-possession financing, including \$250 million in new-money term loans and continued access to the Debtors’ ABL Facility on a postpetition basis. As a result, the Debtors entered chapter 11 on April 21, 2025 (the “Petition Date”), with the support of its key stakeholders, including its ABL Lenders, Bridge Lenders, and Term Loan Lenders, to implement a comprehensive deleveraging transaction.

Since the Petition Date, the Debtors have engaged in extensive negotiations with vendors, customers, and Sale-Leaseback counterparties to ensure a smooth transition into chapter 11 and streamline the Debtors’ operations. Among other things, as of the date hereof, the Debtors have executed trade agreements with over one hundred of their key vendors, representing over ten percent of the Company’s vendor base and resulting in the resolution of approximately forty percent of the vendor claims against the Debtors. These trade agreements ensured continued operational stability with suppliers of critical materials and services that are necessary for the Debtors’ operations. The Debtors, with the assistance of Hilco, Kirkland, and PJT, are also engaging in extensive negotiations with Sale-Leaseback counterparties to improve agreement terms and strengthen the Debtors’ balance sheet and cost structure.

In parallel with their operational restructuring, the Debtors have been in negotiations with their lenders and key stakeholders to reach an agreement on a chapter 11 plan of reorganization that stabilizes the Debtors’ capital structure and puts the Company on strong financial ground to continue to maximize stakeholder value going forward. After several months of arms’ length, good-faith negotiations, the Debtors and the Ad Hoc Group were able to reach an agreement on a comprehensive, global restructuring to be effectuated by the Plan.

The initial-filed Plan and Disclosure Statement contain customary releases and exculpation provisions; however, they do not include any releases or exculpations for Claims or Causes of Action against any party that is subject to the Independent Investigation (as defined below), including the Sponsor and its affiliates (as defined more fully in the Plan, the “Excluded Parties”). During the period between the filing of the initial-filed Plan and Disclosure Statement and entry of the Disclosure Statement Order, the Ad Hoc Group and the Debtors (through the Special Committee (as defined below)) shall engage in good-faith negotiations with the Excluded Parties regarding a potential settlement of any Claims and/or Causes of Action the Debtors and/or the lenders may have against the Excluded Parties.

Following those negotiations, and (i) upon the recommendation of the Special Committee based on the results of its Independent Investigation and (ii) with the consent of the Required DIP Term Loan

Lenders, any Claims or Causes of Action against any of the Excluded Parties may be settled and/or released and the Plan and/or Schedule of Excluded Parties may be updated accordingly.

If a settlement against any Excluded Party is not reached prior to entry of the Disclosure Statement Order, the Plan and Disclosure Statement shall be updated to include a litigation trust (or other alternative vehicle). For the avoidance of doubt, the Claims and Causes of Action that shall vest in the litigation trust shall also include Avoidance Actions against all general unsecured creditors that are not Holders of Term Loan Deficiency Claims to the extent such Claims were not already released pursuant to an order of the Bankruptcy Court.

The sole beneficiaries of the litigation trust shall be the Holders of DIP Term Loan Claims, 507(b) Claims (as defined in the DIP Orders) and Term Loan Claims, until all such Claims and Adequate Protection Obligation (as defined in the DIP Orders) are paid in full.

Pursuant to Articles II.B and III.B, of the Plan, Holders of Allowed Claims shall receive the following treatment in full and final satisfaction, settlement, release, and discharge of their Claims and Interests:

- Each Holder of an Allowed DIP ABL Claim shall (a) receive payment in full in Cash of such Claim or (b) at such Holder's election, roll such Claim into the Exit ABL Facility in a cashless dollar-for-dollar exchange, and (c) receive payment in full in Cash of accrued interest and fees due under the DIP ABL Facility prior to the effectiveness and conversion of any such Claim into the Exit ABL Facility pursuant to the foregoing clause (b).
- Each Holder of an Allowed DIP Term Loan Claim shall receive its Pro Rata share of: (a) the DIP Equity Recovery; and (b) at the election of each Holder of an Allowed DIP Term Loan Claim, the right to participate up to their Pro Rata share of either or both of the following: (i) the Equity Subscription Rights; and/or (ii) the Debt Subscription Rights.
- Each Holder of an Allowed Other Secured Claim shall receive, at the Debtors' or the Reorganized Debtors' option, with the [reasonable consent] of the Required DIP Term Loan Lenders, either (i) in full and final satisfaction of such Allowed Other Secured Claim, payment in full in Cash of its Allowed Other Secured Claim, (ii) in full and final satisfaction of such Allowed Other Secured Claim, the collateral securing its Allowed Other Secured Claim, (iii) Reinstatement of its Allowed Other Secured Claim, or (iv) such other treatment rendering its Allowed Other Secured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.
- Each Holder of an Allowed Other Priority Claim shall receive such treatment consistent with section 1129(a)(9) of the Bankruptcy Code.
- Each Holder of an Allowed Term Loan Claim shall receive its Pro Rata share of the Term Loan Equity Distribution.
- Each Holder of an Allowed Asset Financing Agreement Claim shall receive its Pro Rata share of the applicable Asset Financing Takeback Debt.
- All Allowed General Unsecured Claims shall be canceled, released, and extinguished and will be of no further force or effect, and Holders of Allowed General Unsecured Claims shall not receive any distribution, property, or other value under the Plan on account of such Allowed General Unsecured Claims.

- Each Allowed Intercompany Claim shall be, at the option of the applicable Debtor or Reorganized Debtor with the [reasonable consent] of the Required DIP Term Loan Lenders and in accordance with the Restructuring Transactions Memorandum, either (i) Reinstated, or (ii) set off, settled, discharged, contributed, canceled, released without any distribution on account of such Intercompany Claim, or otherwise addressed at the option of the Reorganized Debtors with the [reasonable consent] of the Required DIP Term Loan Lenders and in accordance with the Restructuring Transactions Memorandum.
- Each Allowed Intercompany Interest shall be, at the option of the applicable Debtor or Reorganized Debtor with the [reasonable consent] of the Required DIP Term Loan Lenders and in accordance with the Restructuring Transactions Memorandum, either (i) Reinstated, or (ii) set off, settled, discharged, contributed, canceled, released without any distribution on account of such Intercompany Interest, or otherwise addressed at the option of the Reorganized Debtors with the [reasonable consent] of the Required DIP Term Loan Lenders and in accordance with the Restructuring Transactions Memorandum.
- Each Interest in Ascend Parent and APM Disc shall be canceled, released, discharged, and extinguished without any distribution and will be of no further force or effect, and each Holder of an Interest in Ascend Parent and/or APM Disc shall not receive or retain any distribution, property, or other value on account of its Interest in Ascend Parent and/or APM Disc.
- All Section 510(b) Claims shall be canceled, released, discharged, and extinguished without any distribution and will be of no further force or effect, and each Holder of a Section 510(b) Claim shall not receive or retain any distribution, property, or other value on account of its Section 510(b) Claim.

Pursuant to Article IV.D of the Plan, the Plan also provides for a \$[100] million Equity Rights Offering and a \$[100] million Debt Rights Offering, which will recapitalize the Company on the Effective Date and position the Company to meet its financial and operational obligations as they come due. As described above, the Plan addresses the Asset Financing Agreement Claims and all of the Asset Financing Takeback Debt.

The Plan contains customary releases, and exculpation provisions in favor of the Released Parties; *provided, however*, that it does not contain releases or exculpations for any Claims or Causes of Action against any Excluded Parties, and it does not waive any Avoidance Actions against Holders of General Unsecured Claims that are not Holders of Term Loan Deficiency Claims other than to the extent already released pursuant to an order of the Bankruptcy Court.

Despite the many challenges that Ascend faced on the eve of these Chapter 11 Cases, the Debtors have negotiated a plan of reorganization that will put the Reorganized Debtors on strong financial and operational footing with a stable capital structure and optimized operations. The Debtors strongly believe that the Plan is in the best interests of their Estates and represents the best available alternative to reorganize the Debtors' business affairs and capital structure. The Debtors are confident that they can implement the Restructuring Transactions contemplated by the Plan to ensure their long-term viability and success. The Debtors strongly recommend that Holders of Claims entitled to vote to accept or reject the Plan vote to accept the Plan.

III. QUESTIONS AND ANSWERS REGARDING THIS DISCLOSURE STATEMENT AND PLAN

A. What is chapter 11?

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. In addition to permitting debtor rehabilitation, chapter 11 promotes equality of treatment for creditors and similarly situated equity interest holders, subject to the priority of distributions prescribed by the Bankruptcy Code.

The commencement of a chapter 11 case creates an estate that comprises all of the legal and equitable interests of the debtor as of the date the chapter 11 case is commenced. The Bankruptcy Code provides that the debtor may continue to operate its business and remain in possession of its property as a “debtor in possession.”

Consummating a chapter 11 plan is the principal objective of a chapter 11 case. A bankruptcy court’s confirmation of a plan binds the debtor, any person acquiring property under the plan, any creditor or equity interest holder of the debtor, and any other entity as may be ordered by the bankruptcy court. Subject to certain limited exceptions, the order issued by a bankruptcy court confirming a plan provides for the treatment of the debtor’s liabilities in accordance with the terms of the confirmed plan.

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

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

C. What are the Restructuring Transactions.

The Plan contemplates a recapitalization of the Debtors, through which the Debtors will issue the New Interests to the Holders of Term Loan Claims, implement both an Equity Rights Offering and a Debt Rights Offering, enter into the Exit ABL Facility and the Exit Holdco Loan Facility, and adopt a Management Incentive Plan. New Interests will also be issued in satisfaction of DIP Term Loan Claims, while DIP ABL Claims will be paid down in full in Cash or, solely at the election of each DIP ABL Lender, rolled into the Exit ABL Facility.

D. Am I entitled to vote on the Plan?

Your ability to vote on, and your distribution under, the Plan, if any, depends on what type of Claim you hold and whether you held that Claim as of the Voting Record Date (as defined herein). Each category of holders of Claims or Interests, as set forth in Article III of the Plan pursuant to section 1122(a) of the Bankruptcy Code, is referred to as a “Class.” Each Class’s respective voting status is set forth below:

Class	Claims and Interests	Status	Voting Rights
Class 1	Other Secured Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
Class 2	Other Priority Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
Class 3	Term Loan Claims	Impaired	Entitled to Vote

Class	Claims and Interests	Status	Voting Rights
Class 4	Asset Financing Agreement Claims	Impaired	Entitled to Vote
Class 5	General Unsecured Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 6	Intercompany Claims	Unimpaired / Impaired	Not Entitled to Vote (Presumed to Accept / Deemed to Reject)
Class 7	Intercompany Interests	Unimpaired / Impaired	Not Entitled to Vote (Presumed to Accept / Deemed to Reject)
Class 8	Interests in Ascend Parent and APM Disc	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 9	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

E. What is the deadline to vote on the Plan?

The Voting Deadline is October 17, 2025, at 4:00 p.m., prevailing Central Time.

F. How do I vote for or against the Plan?

Detailed instructions regarding how to vote on the Plan are contained on the ballots that will be distributed to holders of Claims that are entitled to vote on the Plan. For your vote to be counted, the ballot or master ballot containing your vote and returned by your nominee, or the “pre-validated” ballot provided by your nominee for direct return by you must be properly completed, executed, and delivered as directed such that the master ballot or pre-validated ballot containing your vote is **actually received** by the Debtors’ claims and noticing Agent, in their capacity as solicitation agent, Epiq Corporate Restructuring, LLC (the “Claims and Noticing Agent”) **on or before the Voting Deadline, i.e. October 17, 2025, at 4:00 p.m., prevailing Central Time.** See Article IX of this Disclosure Statement, entitled, “Solicitation and Voting” for more information.

G. Why is the Bankruptcy Court holding a Confirmation Hearing?

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court to hold a hearing on confirmation of the Plan and recognizes that any party in interest may object to Confirmation of the Plan. The Confirmation Hearing will be scheduled by the Bankruptcy Court, and all parties in interest will be served notice of the time, date, and location of the Confirmation Hearing once scheduled. The Confirmation Hearing may be adjourned from time to time without further notice.

H. What is the purpose of the Confirmation Hearing?

The confirmation of a plan of reorganization by a bankruptcy court binds the debtor, any issuer of securities under a plan of reorganization, any person acquiring property under a plan of reorganization, any creditor or equity interest holder of a debtor, and any other person or entity as may be ordered by the bankruptcy court in accordance with the applicable provisions of the Bankruptcy Code. Subject to certain limited exceptions, the order issued by the bankruptcy court confirming a plan of reorganization discharges a debtor from any debt that arose before the confirmation of such plan of reorganization and provides for the treatment of such debt in accordance with the terms of the confirmed plan of reorganization.

I. When Is the Confirmation Hearing Scheduled to Occur? What Other Milestones Are Notable in These Chapter 11 Cases? When Are Those Milestones Schedule to Take Place?

The Debtors agreed to certain milestones to ensure an orderly and timely implementation of the Restructuring Transactions and anticipate filing in the near term a motion to approve the Disclosure Statement that contemplates the below case timeline, subject to Bankruptcy Court approval and availability. See Article IX of this Disclosure Statement, entitled “Solicitation and Voting,” for more information.

Pursuant to the Disclosure Statement Motion, the Debtors have requested that the Confirmation Hearing be held on **October 27, 2025, subject to the Bankruptcy Court’s availability**, in accordance with the notice of the Confirmation Hearing that will accompany the order approving the Disclosure Statement (the “Order”). The Confirmation Hearing may be adjourned from time to time without further notice. The Debtors have requested that objections to Confirmation of the Plan must be Filed and served on the Debtors, and certain other parties, **by no later than 4:00 p.m., prevailing Central Time, on October 17, 2025.**

Event	Proposed Date and Time (if any)
Voting Record Date	September 10, 2025
Disclosure Statement Objection Deadline	September 12, 2025
Disclosure Statement Hearing	September 19, 2025
Solicitation Materials Mailing Deadline	Three Business Days after entry of the Disclosure Statement Order, or as soon as reasonably practicable thereafter
Publication Deadline	Five Business Days after entry of the Disclosure Statement Order, or as soon as reasonably practicable thereafter
Initial Plan Supplement Filing Deadline	October 15, 2025
Voting Deadline	October 17, 2025, at 4:00 p.m., prevailing Central Time
Opt-Out Deadline	October 17, 2025, at 4:00 p.m., prevailing Central Time
Confirmation Objection Deadline	October 17, 2025, at 4:00 p.m., prevailing Central Time
Deadline to File Voting Report	October 24, 2025
Confirmation Brief Deadline	October 24, 2025
Confirmation Hearing Date	October 27, 2025, subject to the Bankruptcy Court’s availability

J. What is the effect of the Plan on the Debtors' ongoing businesses?

The Debtors are reorganizing under chapter 11 of the Bankruptcy Code. As a result, the occurrence of the Effective Date means that the Debtors will *not* be liquidated or forced to go out of business. Following Confirmation, the Plan will be consummated on the Effective Date, which is a date that is the first Business Day after the Confirmation Date on which (1) no stay of the Confirmation Order is in effect and (2) all conditions to Consummation have been satisfied or waived (*see Article IX* of the Plan). On or after the Effective Date, and unless otherwise provided in the Plan, the Reorganized Debtors may operate their businesses and, except as otherwise provided by the Plan, may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. Additionally, upon the Effective Date, all actions contemplated by the Plan will be deemed authorized and approved.

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

The following chart provides a summary of the anticipated recovery to holders of Claims or Interests under the Plan. Any estimates of Claims or Interests in this Disclosure Statement may vary from the final amounts Allowed by the Bankruptcy Court. Your ability to receive distributions under the Plan depends upon the ability of the Debtors to obtain Confirmation and meet the conditions necessary to consummate the Plan.

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

SUMMARY OF EXPECTED RECOVERIES ⁵				
Class	Claim/Equity Interest	Treatment of Claim/Equity Interest	Projected Amount of Claims	Economic Recovery Under the Plan
1	Other Secured Claims	Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment of its Allowed Claim, each Holder of an Allowed Other Secured Claim shall receive, at the Debtors' or the Reorganized Debtors' option with the [reasonable consent] of the Required DIP Term Loan Lenders: (i) in full and final satisfaction of such Allowed Other Secured Claim, payment in full in Cash of its Allowed Other Secured Claim; (ii) in full and final satisfaction of such Allowed Other Secured Claim, the collateral securing its Allowed Other Secured Claim; (iii) Reinstatement of its Allowed Other Secured Claim; or (iv) such other treatment rendering its Allowed Other Secured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.	\$[•]	[•]%

⁵ The projected recoveries set forth in this table may change based upon changes in the amount of Claims that are Allowed as well as other factors related to the Debtors' business operations and general economic conditions.

SUMMARY OF EXPECTED RECOVERIES ⁵				
Class	Claim/Equity Interest	Treatment of Claim/Equity Interest	Projected Amount of Claims	Economic Recovery Under the Plan
2	Other Priority Claims	Except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment of its Allowed Claim, each Holder of an Allowed Other Priority Claim shall receive such treatment consistent with section 1129(a)(9) of the Bankruptcy Code.	\$[•]	[•]%
3	Term Loan Claims	In exchange for the full and final satisfaction, settlement, release, and discharge of the Term Loan Claims, each Holder of an Allowed Term Loan Claim shall receive its Pro Rata share of the Term Loan Equity Distribution.	\$[•]	[•]%
4	Asset Financing Agreement Claims	In exchange for the full and final satisfaction, settlement, release, and discharge of the Asset Financing Agreement Claims, each Holder of an Allowed Asset Financing Agreement Claim shall receive its Pro Rata share of the applicable Asset Financing Takeback Debt.	\$[•]	[•]%
5	General Unsecured Claims	All Allowed General Unsecured Claims shall be canceled, released, and extinguished and will be of no further force or effect, and Holders of Allowed General Unsecured Claims shall not receive any distribution, property, or other value under the Plan on account of such Allowed General Unsecured Claims.	\$[•]	[•]%
6	Intercompany Claims	Each Allowed Intercompany Claim shall be, at the option of the applicable Debtor or Reorganized Debtor with the [reasonable consent] of the Required DIP Term Loan Lenders and in accordance with the Restructuring Transactions Memorandum, either: (i) Reinstated; or (ii) set off, settled, discharged, contributed, canceled, released without any distribution on account of such Intercompany Claim, or otherwise addressed at the option of the Reorganized Debtors with the [reasonable consent] of the Required DIP Term Loan Lenders and in accordance with the Restructuring Transactions Memorandum. The Plan and the distributions contemplated thereby constitute a global settlement of any and all Intercompany Claims by and between any of the Debtors that may exist as of the Effective Date.	\$[•]	[•]%

SUMMARY OF EXPECTED RECOVERIES ⁵				
Class	Claim/Equity Interest	Treatment of Claim/Equity Interest	Projected Amount of Claims	Economic Recovery Under the Plan
7	Intercompany Interests	Each Allowed Intercompany Interest shall be, at the option of the applicable Debtor or Reorganized Debtor with the [reasonable consent] of the Required DIP Term Loan Lenders and in accordance with the Restructuring Transactions Memorandum, either: (i) Reinstated; or (ii) set off, settled, discharged, contributed, canceled, released without any distribution on account of such Intercompany Interest, or otherwise addressed at the option of the Reorganized Debtors with the [reasonable consent] of the Required DIP Term Loan Lenders and in accordance with the Restructuring Transactions Memorandum.	\$[●]	[●]%
8	Interests in Ascend Parent and APM Disc	Each Interest in Ascend Parent and APM Disc shall be canceled, released, discharged, and extinguished without any distribution and will be of no further force or effect, and each Holder of an Interest in Ascend Parent and/or APM Disc shall not receive or retain any distribution, property, or other value on account of its Interest in Ascend Parent and/or APM Disc.	\$[●]	[●]%
9	Section 510(b) Claims	All Section 510(b) Claims shall be canceled, released, discharged, and extinguished without any distribution and will be of no further force or effect, and each Holder of a Section 510(b) Claim shall not receive or retain any distribution, property, or other value on account of its Section 510(b) Claim.	\$[●]	[●]%

L. What will I receive from the Debtors if I hold an Allowed Administrative Claim, DIP Claim, Professional Claim, or a Priority Tax Claim?

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

1. Administrative Claims.

Administrative Claims will be satisfied as set forth in Article II.A of the Plan, as summarized herein. Unless (i) otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors with the reasonable consent of the Required DIP Term Loan Lenders or the Reorganized Debtors, as applicable, (ii) such Holder has been paid by any Debtors on account of such Allowed Administrative Expense Claim prior to the Effective Date, or (iii) otherwise provided for under the Plan (including in Article II.B with respect to the DIP Claims), each Holder of an Allowed Administrative Claim (other than Holders of Professional Claims and Claims for fees and expenses pursuant to section 1930 of chapter 123 of title 28 of the United States Code) will receive in full and final satisfaction of its Allowed Administrative Claim an amount of Cash equal to the amount of such Allowed Administrative Claim in accordance with the following: (1) if an 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 Administrative Claim is due or as soon as reasonably practicable thereafter); (2) if such Administrative Claim is not Allowed as of the Effective Date, no later than thirty (30) days after the date on which an order Allowing

such Administrative Claim becomes a Final Order, or as soon as reasonably practicable thereafter; (3) if such Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date in accordance with the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claim without any further action by the Holder of such Allowed Administrative Claim; (4) at such time and upon such terms as may be agreed upon by such Holder and the Debtors or the Reorganized Debtors, as applicable; or (5) at such time and upon such terms as set forth in an order of the Bankruptcy Court.

Except as otherwise provided in Article II.A of the Plan, and except with respect to Administrative Claims that are Professional Claims, Restructuring Expenses, or Disinterested Director Fee Claims, requests for payment of Administrative Claims must be Filed with the Bankruptcy Court and served on the Debtors or the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, their Estates, or their property, and such Administrative Claims shall be deemed discharged as of the Effective Date without the need for any objection from the Debtors or the Reorganized Debtors, as applicable, or any notice to or action, order, or approval of the Bankruptcy Court or any other Entity. Objections to such requests, if any, must be Filed with the Bankruptcy Court and served on the Debtors and the requesting party no later than the Claims Objection Deadline. Notwithstanding the foregoing, no request for payment of an Administrative Claim need be Filed with the Bankruptcy Court with respect to an Administrative Claim previously Allowed.

2. DIP Claims.

All DIP Claims will be satisfied as set forth in Article II.B of the Plan, as summarized herein.

(a) DIP ABL Claims.

On the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the Allowed DIP ABL Claims, (a) any DIP ABL Claims that are not being rolled into the Exit ABL Facility Loans shall be indefeasibly paid in full in Cash, (b) any DIP ABL Claims that are (solely at the election of each applicable DIP ABL Lender) rolled into the Exit ABL Facility Loans or other outstanding obligations thereunder (such as letters of credit, as provided below) shall be refinanced by the Exit ABL Facility by means of a cashless settlement in the amount of the remaining DIP ABL Claims, and (c) accrued interest and fees under the DIP ABL Facility shall be paid in full in Cash on the Effective Date and in any event immediately prior to the effectiveness and the conversion of the DIP ABL Claims into Exit ABL Facility pursuant to the foregoing clause (b).

With respect to the DIP ABL Claims that are refinanced by means of a cashless settlement into the Exit ABL Facility, (a) the principal amount of all Loans (as defined in the DIP ABL Credit Agreement) shall be, on a dollar-for-dollar basis, automatically converted into, and deemed to be, Exit ABL Facility Loans, (b) the Letters of Credit (as defined in the DIP ABL Credit Agreement) issued and outstanding under the DIP ABL Credit Agreement shall automatically be converted into letters of credit deemed to be issued and outstanding under the Exit ABL Facility Documents, and (c) all other Obligations (as defined in the DIP ABL Credit Agreement) shall be treated in accordance with the Exit ABL Facility Documents.

For the avoidance of doubt, upon entry of the Confirmation Order, all DIP ABL Claims shall be deemed to be Allowed for all purposes as Secured Claims and Administrative Claims in an amount equal to (a) the principal amount of such Claims outstanding under the DIP ABL Facility on such date, (b) all interest accrued and unpaid thereon to the date of payment, and (c) any and all accrued and unpaid fees,

expenses, and indemnification or other obligations of any kind payable under the DIP ABL Documents. Such DIP ABL Claims shall not be subject to any avoidance, reduction, setoff, offset, recoupment, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense, disallowance, impairment, objection, or any other challenge under any applicable law or regulation by any Entity. Furthermore, all Restructuring Expenses related to the DIP ABL Facility shall be paid in full in Cash in accordance with the terms of the DIP Orders and the Plan, as applicable.

(b) DIP Term Loan Claims.

On the Effective Date, except to the extent that a Holder of an Allowed DIP Term Loan Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for such Allowed DIP Term Loan Claim (other than any DIP Term Loan Claims that constitute Restructuring Expenses), each Holder of an Allowed DIP Term Loan Claim shall receive its Pro Rata share of: (a) the DIP Equity Recovery; and (b) at the election of each Holder of an Allowed DIP Term Loan Claim, the right to participate up to their Pro Rata share of either or both of the following: (i) the Equity Subscription Rights; and/or (ii) the Debt Subscription Rights. To the extent that a Holder of an Allowed DIP Term Loan Claim does not elect to participate in their Pro Rata share of either the Equity Subscription Rights and/or the Debt Subscription Rights, any resulting deficit shall be backstopped by the Equity Backstop Parties and/or the Debt Backstop Parties, as applicable, pursuant to the Equity Rights Offering Documents and the Debt Rights Offering Documents, as applicable.

The DIP Term Loan Lenders, each Debt Rights Offering Participant, and each Equity Rights Offering Participant, as applicable, shall be entitled to designate participation in the DIP Equity Recovery, the Debt Subscription Rights, and/or the Equity Subscription Rights, as applicable, to one or more Lender Fund Affiliates.

For the avoidance of doubt, upon entry of the Confirmation Order, all DIP Term Loan Claims shall be deemed to be Allowed for all purposes as Secured Claims and Administrative Claims in an amount equal to (a) the principal amount of such Claims outstanding under the DIP Term Loan Facility on such date, (b) all interest accrued and unpaid thereon to the date of payment, and (c) any and all accrued and unpaid fees, expenses, premiums, and indemnification or other obligations of any kind payable under the DIP Term Loan Documents. Such DIP Term Loan Claims shall not be subject to any avoidance, reduction, setoff, offset, recoupment, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense, disallowance, impairment, objection, or any other challenge under any applicable law or regulation by any Entity. Furthermore, all Restructuring Expenses related to the DIP Term Loan Facility shall be paid in full in Cash in accordance with the terms of the DIP Orders and the Plan, as applicable.

3. Professional Claims.

Professional Claims will be satisfied as set forth in Article II.C of the Plan, as summarized herein.

(a) Final Fee Applications and Payment of Professional Claims.

All requests for payment of Professional Claims for services rendered and reimbursement of expenses incurred prior to the Effective Date must be Filed no later than forty-five (45) days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Court. The Reorganized Debtors shall pay Professional Claims in Cash in the amount that the Bankruptcy Court Allows, including from the Professional Fee Escrow Account, if applicable, as soon as reasonably practicable after such Professional Claim is Allowed, and which Allowed amount shall not be subject to

disallowance, setoff, recoupment, subordination, recharacterization, or reduction of any kind, including pursuant to section 502(d) of the Bankruptcy Code. The Reorganized Debtors will establish the Professional Fee Escrow Account in trust for the Professionals and fund such account with Cash equal to the Professional Fee Amount on the Effective Date.

(b) Professional Fee Escrow Account.

On the Effective Date, the Reorganized Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Amount, which shall be funded by the Reorganized Debtors using Cash on hand. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals until all Professional Claims that are Allowed by the Bankruptcy Court have been irrevocably paid in full pursuant to one or more Final Orders. Such funds shall not be considered property of the Estates of the Debtors or the Reorganized Debtors. The amount of Allowed Professional Claims shall be paid in Cash to the Professionals by the Reorganized Debtors from the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Claims are Allowed. When all such Allowed Professional Claims have been paid in full, any remaining amount in the Professional Fee Escrow Account shall promptly be paid to the Reorganized Debtors without any further notice to or action, order, or approval of the Bankruptcy Court.

(c) Professional Fee Amount.

Professionals shall reasonably estimate their unpaid Professional Claims and other unpaid fees and expenses incurred in rendering services to the Debtors before and as of the Effective Date, and shall deliver such estimate to the Debtors, the Ad Hoc Group Advisors, and the ABL Advisors no later than three (3) Business Days before the anticipated Effective Date; *provided* that such estimates shall not be deemed to limit the amount of the fees and expenses that are the subject of each Professional's final request for payment for Filed Professional Claims in the Chapter 11 Cases. If a Professional does not provide an estimate, the Debtors or Reorganized Debtors shall estimate the unpaid and unbilled fees and expenses of such Professional.

(d) Post-Effective Date Fees and Expenses.

Except as otherwise specifically provided in the Plan, from and after the Effective Date, the Reorganized Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to implementation of the Plan and Consummation incurred by the Debtors. Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors or the Reorganized Debtors, as applicable, may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

4. Priority Tax Claims.

Priority Tax Claims will be satisfied as set forth in Article II.D of the Plan, as summarized herein. Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to less favorable treatment, in 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.

5. Payment of Statutory Fees and Reporting to the U.S. Trustee.

All fees due and payable pursuant to section 1930(a) of title 28 of the United States Code shall be paid by the Debtors, the Reorganized Debtors, or the Distribution Agent (on behalf of the Reorganized Debtors), as applicable, for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first. All monthly reports shall be Filed, and all such fees due and payable, shall be paid by the Debtors or the Reorganized Debtors (or the Distribution Agent on behalf of the Reorganized Debtors), as applicable, on the Effective Date. Following the Effective Date, the Reorganized Debtors (or the Distribution Agent on behalf of the Reorganized Debtors) shall (1) pay such fees as such fees are assessed and come due for each quarter (including any fraction thereof) and (2) File quarterly reports in a form reasonably acceptable to the U.S. Trustee. Each Debtor shall remain obligated to pay such quarterly fees to the U.S. Trustee and to File quarterly reports until the earliest of that particular Debtor's case being closed, dismissed, or converted to a case under chapter 7 of the Bankruptcy Code.

6. Restructuring Expenses.

Restructuring Expenses will be satisfied as set forth in Article II.F of the Plan, as summarized herein. Restructuring Expenses incurred, or estimated to be incurred, up to and including the Effective Date, shall be paid in full in Cash on the Effective Date or as soon as reasonably practicable thereafter (to the extent not previously paid) in accordance with, and subject to, as applicable, the Plan and any other fee arrangements, without any requirement to File a fee application with the Bankruptcy Court and without any requirement for Bankruptcy Court review or approval; *provided* that the foregoing shall be subject to the Debtors' receipt of an invoice in summary form (but without the need for itemized time detail and may be redacted) from the applicable Entity entitled to such Restructuring Expenses. All Restructuring Expenses to be paid on the Effective Date shall be estimated prior to and as of the Effective Date, and such estimates shall be delivered to the Debtors at least three (3) Business Days before the anticipated Effective Date; *provided* that such estimates shall not be considered an admission or limitation with respect to such Restructuring Expenses. On or as soon as practicable after the Effective Date, final invoices for all Restructuring Expenses incurred prior to and as of the Effective Date shall be submitted to the Reorganized Debtors.

After the Effective Date the Reorganized Debtors shall promptly pay in Cash in full any unpaid Restructuring Expenses within seven (7) calendar days of receiving any such invoice.

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

The Debtors anticipate that certain anti-trust regulatory filings and approvals will be required in U.S. and in non-U.S. jurisdictions in order to consummate the Plan. To the extent such regulatory approvals or other authorizations, consents, rulings, or documents are necessary to implement and effectuate the Plan, it is a condition precedent to the Effective Date that they be obtained.

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

In the event that the Plan is not confirmed or does not go effective, there is no assurance that the Debtors will be able to reorganize their businesses. It is possible that any alternative may provide holders of Claims with less than they would have received pursuant to the Plan. For a more detailed description of the consequences of an extended chapter 11 case, or of a liquidation scenario, *see* Article X.B of this Disclosure Statement, entitled "Best Interests of Creditors/Liquidation Analysis."

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

“Confirmation” of the Plan refers to approval of the Plan by the Bankruptcy Court. Confirmation of the Plan does not guarantee that you will receive the distribution indicated under the Plan. After Confirmation of the Plan by the Bankruptcy Court, there are conditions that need to be satisfied or waived so that the Plan can go effective. Initial distributions to holders of Allowed Claims will only be made on the date the Plan becomes effective—the “Effective Date”—or as soon as reasonably practicable thereafter, as specified in the Plan. See Article X of this Disclosure Statement, entitled “Confirmation of the Plan,” for a discussion of the conditions precedent to consummation of the Plan.

P. What are the sources of Cash and other consideration required to fund the Plan?

The Debtors and the Reorganized Debtors, as applicable, shall fund distributions under the Plan with: (1) Cash on hand, including Cash from operations, the DIP Facilities, and the proceeds of the Equity Rights Offering and the Debt Rights Offering; (2) the Equity Subscription Rights; (3) the Debt Subscription Rights; (4) the New Interests; (5) the Exit ABL Facility; (6) the Exit Holdco Loan Facility, as applicable; and (7) the Asset Financing Takeback Debt.

Q. Are there risks to owning the New Interests upon emergence from chapter 11?

Yes. See Article VIII of this Disclosure Statement, entitled “Risk Factors.”

R. Is there potential litigation related to the Plan?

Parties in interest may object to the approval of this Disclosure Statement and/or Confirmation of the Plan; such objections could give rise to litigation. In the event that it becomes necessary to confirm the Plan over the rejection of certain Classes, the Debtors may seek confirmation of the Plan notwithstanding the dissent of such rejecting Classes. The Bankruptcy Court may confirm the Plan pursuant to the “cramdown” provisions of the Bankruptcy Code, which allow the Bankruptcy Court to confirm a plan that has been rejected by an impaired Class if it determines that the Plan satisfies section 1129(b) of the Bankruptcy Code. See Article X.E of this Disclosure Statement, entitled “Confirmation Without Acceptance by All Impaired Classes.”

S. What happens to Claims that are Disputed as of the Effective Date?

The Plan provides that if the Debtors with the reasonable consent of the Required DIP Term Loan Lenders or the Reorganized Debtors, as applicable, dispute any Proof of Claim that is Filed on account of an Unimpaired Claim, such dispute shall be determined, resolved, or adjudicated, as the case may be, in the Bankruptcy Court. For the avoidance of doubt, Holders of Disputed Other Secured Claims may take no action to liquidate, repossess, or foreclose or otherwise collect upon such Claim(s) other than adjudication in the Bankruptcy Court (unless otherwise consensually resolved between the Debtors or Reorganized Debtors, as applicable, and such Holder, and any such consensual resolution shall not require any further notice to or action, order, or approval of the Bankruptcy Court) until such time as the relevant Other Secured Claim is Allowed.

If the Debtors with the reasonable consent of the Required DIP Term Loan Lenders or the Reorganized Debtors, as applicable, dispute any Impaired Claim that is not Allowed as of the Effective Date pursuant to Article III.B of the Plan or a Final Order entered by the Bankruptcy Court (which may

include the Confirmation Order), the Debtors or Reorganized Debtors, as applicable, shall File an objection with, and the dispute shall be determined, resolved, or adjudicated before, the Bankruptcy Court.

T. How will the preservation of the Causes of Action affect my recovery under the Plan?

The Plan provides for the retention of all Causes of Action other than those that are expressly waived, relinquished, exculpated, released, compromised, or settled.

In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article VIII of the Plan, each Reorganized Debtor, as applicable, shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action of the Debtors, whether arising before or after the Petition Date, including any actions specifically enumerated on the Schedule of Retained Causes of Action, and the Reorganized Debtors' rights to commence, prosecute, or settle such retained Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date or any other provision of the Plan to the contrary, other than the Causes of Action released by the Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII thereof, which shall be deemed released and waived by the Debtors and the Reorganized Debtors as of the Effective Date. **For the avoidance of doubt, any and all Causes of Action against the Excluded Parties are preserved.**

The Reorganized Debtors may pursue such retained Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors. **No Person or Entity (other than the DIP Lenders, the Bridge Lenders, the Term Loan Lenders, the ABL Lenders, the Agents, and the members of the Ad Hoc Group) may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Causes of Action against it as any indication that the Debtors or the Reorganized Debtors, as applicable, will not pursue any and all available retained Causes of Action of the Debtors against it. Except as specifically released under the Plan or pursuant to a Final Order, the Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all retained Causes of Action against any Entity, except (1) as otherwise expressly provided in the Plan, including Article VIII thereof or (2) the DIP Lenders, the Bridge Lenders, the Term Loan Lenders, the ABL Lenders, the Agents, and the members of the Ad Hoc Group. Unless otherwise agreed upon in writing by the parties to the applicable retained Causes of Action, all objections to the Schedule of Retained Causes of Action must be Filed with the Bankruptcy Court on or before thirty (30) days after the Effective Date. Any such objection that is not timely Filed shall be disallowed and forever barred, estopped, and enjoined from assertion against any Reorganized Debtor, without the need for any objection or responsive pleading by the Reorganized Debtors or any other party in interest or any further notice to or action, order, or approval of the Bankruptcy Court.** The Reorganized Debtors may settle any such objection without any further notice to or action, order, or approval of the Bankruptcy Court. If there is any dispute regarding the inclusion of any Causes of Action on the Schedule of Retained Causes of Action that remains unresolved by the Debtors or Reorganized Debtors, as applicable, and the objecting party for thirty (30) days, such objection shall be resolved by the Bankruptcy Court. Unless any Causes of Action of the Debtors against an Entity (other than the DIP Lenders, the Bridge Lenders, the Term Loan Lenders, the ABL Lenders, the Agents, and the members of the Ad Hoc Group) are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Final Order (and for the avoidance of doubt, any Causes of Action on the Schedule of Retained Causes of Action shall not be expressly relinquished, exculpated, released, compromised, or settled in the Plan), the Reorganized Debtors expressly reserve all retained Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such retained Causes of Action upon, after, or as a consequence of Confirmation or Consummation.

The Reorganized Debtors reserve and shall retain such retained Causes of Action of the Debtors notwithstanding the rejection or repudiation of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan and, with respect to any counterclaims or crossclaims held by the Debtors, notwithstanding the discharge of the underlying Claim or related Claims against the Debtors or their Related Parties. In accordance with section 1123(b)(3) of the Bankruptcy Code, and except as expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or pursuant to a Final Order, any retained Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors, except (1) as otherwise expressly provided in the Plan, including Article VIII thereof or (2) such Causes of Action that are against the DIP Lenders, the Bridge Lenders, the Term Loan Lenders, the ABL Lenders, the Agents, and the members of the Ad Hoc Group. The applicable Reorganized Debtors, through their authorized agents or representatives, shall retain and may exclusively enforce any and all such retained Causes of Action. The Reorganized Debtors shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such retained Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

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

Yes, the Plan proposes to release the Released Parties⁶ and to exculpate the Exculpated Parties. The Released Parties [include, among others, each of the Debtors, each of the Reorganized Debtors, each of the DIP ABL Lenders, ABL Lenders, each member of the Ad Hoc Group (including in their capacity as DIP Term Loan Lenders, Bridge Lenders, Term Loan Lenders, Debt Backstop Parties, and Equity Backstop Parties), each of the Releasing Parties that is not an Excluded Party, the Agents; *provided* that, in each case, an Entity shall not be a Released Party if it: (i) elects to opt out of the releases contained in Article VIII.D of the Plan; (ii) timely objects to the releases contained in Article VIII.D thereof and such objection is not resolved before Confirmation; or (iii) is an Excluded Party.]⁷ The Exculpated Parties are, collectively, and in each case in its capacity as such: (a) each of the Debtors; (b) each of the Reorganized Debtors; and (c) each of the Disinterested Directors of the Debtors. The Debtors' releases, third-party releases, injunction, and exculpation provisions included in the Plan are an integral part of the Debtors' overall restructuring efforts and were essential to obtaining the support of the ABL Lenders and the Ad Hoc Group. Moreover, the Released Parties and the Exculpated Parties have made substantial and valuable contributions to the Debtors' restructuring through efforts to negotiate and implement the Plan, which will maximize and preserve the going-concern value of the Debtors for the benefit of all parties in interest. Accordingly, each of the Released Parties and the Exculpated Parties warrants the benefit of the release and exculpation provisions.

The Debtors believe that the releases and exculpations in the Plan are necessary and appropriate and meet the requisite legal standard promulgated by the United States Court of Appeals for the Fifth Circuit. The Debtors will present evidence at the Confirmation Hearing to demonstrate the basis for and propriety of the release and exculpation provisions. The release, exculpation, and injunction provisions that are contained in the Plan are copied in pertinent part below.

IMPORTANTLY, THE FOLLOWING PARTIES ARE INCLUDED IN THE DEFINITION OF "RELEASING PARTIES" AND WILL BE DEEMED TO HAVE EXPRESSLY,

⁶ The parties to be "Released Parties" remains subject to ongoing review.

⁷ Subject to the Independent Investigation.

UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND COLLECTIVELY RELEASED AND DISCHARGED ALL CLAIMS AND CAUSES OF ACTION AGAINST THE DEBTORS AND THE OTHER RELEASED PARTIES: (A) EACH OF THE DEBTORS; (B) EACH OF THE REORGANIZED DEBTORS; (C) EACH OF THE DIP ABL LENDERS; (D) EACH OF THE ABL LENDERS; (E) EACH MEMBER OF THE AD HOC GROUP (INCLUDING IN THEIR CAPACITY AS DIP TERM LOAN LENDERS, BRIDGE LENDERS, TERM LOAN LENDERS, DEBT BACKSTOP PARTIES, AND EQUITY BACKSTOP PARTIES, AS APPLICABLE); (F) EACH OF THE AGENTS; (G) ALL HOLDERS OF CLAIMS THAT VOTE TO ACCEPT THE PLAN; (H) ALL HOLDERS OF CLAIMS WHO ARE DEEMED TO ACCEPT THE PLAN; (I) ALL HOLDERS OF CLAIMS WHO ABSTAIN FROM VOTING ON THE PLAN; (J) ALL HOLDERS OF CLAIMS OR INTERESTS WHO VOTE TO REJECT THE PLAN OR ARE DEEMED TO REJECT THE PLAN; (K) TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH CURRENT AND FORMER AFFILIATE OF EACH ENTITY IN CLAUSE (A) THROUGH THE FOLLOWING CLAUSE (L); AND (L) TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH RELATED PARTY OF EACH ENTITY IN CLAUSE (A) THROUGH THIS CLAUSE (L); PROVIDED THAT, IN EACH CASE, AN ENTITY IN CLAUSE (H) THROUGH CLAUSE (L) SHALL NOT BE A RELEASING PARTY IF IT: (I) AFFIRMATIVELY ELECTS TO OPT OUT OF THE RELEASES CONTAINED IN ARTICLE VIII.D OF THE PLAN BY CHECKING THE BOX ON THE APPLICABLE BALLOT OR NOTICE OF NON-VOTING STATUS INDICATING THAT THEY OPT NOT TO GRANT THE RELEASES PROVIDED FOR IN THE PLAN; OR (II) TIMELY OBJECTS TO THE RELEASES CONTAINED IN ARTICLE VIII. D OF THE PLAN AND SUCH OBJECTION IS NOT RESOLVED BEFORE CONFIRMATION; PROVIDED, HOWEVER THAT NOTWITHSTANDING THE FOREGOING, RELEASED PARTIES SHALL NOT INCLUDE THE EXCLUDED PARTIES. PLEASE TAKE NOTICE THAT IF YOU VOTE IN FAVOR OF THE PLAN, YOU WILL BE CONSIDERED A “RELEASING PARTY” UNDER THE PLAN AND CANNOT OPT OUT OF THE RELEASES CONTAINED THEREIN. ANY OPT OUT OF THE RELEASES CONTAINED IN THE PLAN SUBMITTED ON YOUR BEHALF WILL NOT BE COUNTED. THE RELEASES ARE AN INTEGRAL ELEMENT OF THE PLAN.

For more detail, see Article VIII of the Plan, entitled “Settlement, Release, Injunction, and Related Provisions,” which is incorporated herein by reference, and Article IV of this Disclosure Statement.

V. Do I Have to Grant the Releases?

You can opt out of providing the releases set forth in Article VIII.D of the Plan (the “Third-Party Releases”) if (a) you are a Holder of Claims or Interests that (i) is eligible to vote on the Plan and is deemed to accept, (ii) is eligible to vote on the Plan and abstains from voting on the Plan, (iii) votes to reject the Plan, or (iv) is deemed to reject the Plan, and (b) you affirmatively opt out of the releases provided by the Plan by checking the applicable box on the applicable ballot or notice of non-voting status indicating that they opt not to grant the releases provided in the Plan. In addition, a Holder of a Claim or Interest may opt out of the release by filing an objection with the Bankruptcy Court that expressly objects to the inclusion of such Holder as a Releasing Party under the Plan. Any person or entity described in clause (a) of the first sentence of this paragraph who neither objects to the Plan nor affirmatively opts out of the releases provided by the Plan by checking the box on the applicable ballot or notice of non-voting status indicating that they opt not to grant the releases provided in the Plan will be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged all claims and causes of action against the Released Parties, including the Debtors.

W. What are the Consequences of Opting Out of the Releases Provided by the Plan?

If a Holder of a Claim or Interest opts out of the Third-Party Releases, such Holder will preserve any direct Causes of Action that it may have against the Released Parties. Additionally, any third party that is a Releasing Party will preserve all Causes of Action against such Holder. By opting out of providing the Third-Party Releases under the Plan, a Holder also foregoes the opportunity to receive the debtor release set forth in Article VIII.C of the Plan (the “Debtor Release”).

X. What are the Consequences of Not Opting Out of the Releases Provided by the Plan?

Each Holder of a Claim entitled to opt out of the releases that elects not to exercise such opt out will become both a Releasing Party and a Released Party under the Plan; *provided* that such Entity shall not be a Released Party if it is an Excluded Party. Accordingly, such Holder will receive, subject to the terms and conditions of Article VIII.C of the Plan, a conclusive, absolute, unconditional, irrevocable, and permanent release from the Debtors, the Reorganized Debtors, and their Estates, in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any Causes of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, of any claims and Causes of Action the Debtors may have against such Holder and will in turn grant each Released Party, subject to the terms and conditions of Article VIII.D of the Plan, a conclusive, absolute, unconditional, irrevocable, and permanent release of any claims and causes of actions it may have against such Released Party. Notwithstanding the Debtor Release, the Third-Party Release, or anything else contained in the Plan to the contrary, such Holder shall not be released from (a) any Causes of Action identified on the Schedule of Retained Causes of Action or (b) any post-Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Restructuring Transactions, or any document, instrument, or agreement (including those in the Plan Supplement) executed to implement the Plan or any Claim or obligation arising under the Plan, (3) any Claims or Causes of Action against the Excluded Parties, or (4) any Avoidance Actions against Holders of General Unsecured Claims that are not Holders of Term Loan Deficiency Claims; *provided, however*, that any Avoidance Actions, Claims, and Causes of Action that are determined to be released by the Special Committee and with the consent of the Required DIP Term Loan Lenders shall be released pursuant to Article VIII.C of the Plan.⁸

Y. How will undeliverable distributions and unclaimed property be treated under the Plan?

In the event that any distribution to any Holder of Allowed Claims or Allowed Interests (as applicable) 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 or other necessary information for delivery, at which time such distribution shall be made to such Holder on the next Distribution Date without interest. Undeliverable distributions shall remain in the possession of the Reorganized Debtors until such time as a distribution becomes deliverable or such distribution reverts to the Reorganized Debtors or is canceled pursuant to Article VI.D.4 of the Plan and shall not be supplemented with any interest, dividends, or other accruals of any kind; *provided* that any distribution under the Plan that is an Unclaimed Distribution or remains undeliverable for a period of one hundred and eighty (180) calendar days after distribution shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code. After such date, all unclaimed property or interests in property shall revert in the Reorganized Debtors automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal,

⁸ The inclusion of any Claims resulting from a determination of actual fraud, willful misconduct, or gross negligence are subject ongoing discussion between the Debtors and the Ad Hoc Group and the parties do not agree regarding the inclusion of the foregoing.

provincial, or state escheat, abandoned, or unclaimed property Laws to the contrary), and the Claim of any Holder of Claims and Interests to such property or Interest in property shall be discharged and forever barred. Upon such revesting, the Claim (other than any Reinstated Claims) of the Holder or its successors with respect to such property shall be canceled, released, discharged, and forever barred notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property Laws, or any provisions in any document governing the distribution that is an Unclaimed Distribution, to the contrary. To the extent that such Unclaimed Distribution is comprised of New Interests, such New Interests may be canceled at the discretion of the Reorganized Debtors, and the Distribution Agent shall adjust the distributions of New Interests to reflect any such cancellation.

Z. Are there minimum disbursement restrictions?

In the discretion of the Reorganized Debtors, (a) no Cash payments of less than \$250 and (b) no distribution and issuance of New Interests on the Distribution Date comprising less than \$250 in value (as determined in good faith by the Reorganized Debtors) shall be made, in each case, to a Holder of an Allowed Claim or Allowed Interest (taken together, as a whole, with such Holder's Affiliates for the purposes of the foregoing calculations) on account of such Allowed Claim or Allowed Interest.

No fractional shares (or equivalent units of other interests) of New Interests shall be distributed and no Cash shall be distributed in lieu of such fractional amounts. When any distribution pursuant to the Plan on account of an Allowed Claim or Allowed Interest (as applicable) would otherwise result in the issuance of a number of shares (or equivalent units of other interests) of New Interests that is not a whole number, the actual distribution of shares (or equivalent units of other interests) of New Interests shall be rounded to the next lower whole number with no further payment therefor. Prior to the Distribution Date, a Holder of an Allowed Claim may affirmatively reject the receipt of a distribution of New Interests in writing to the Reorganized Debtors or the Distribution Agent (email being sufficient). The total number of authorized shares (or equivalent units of other interests) of New Interests to be distributed to Holders of Allowed Claims hereunder shall be adjusted as necessary to account for the foregoing rounding or any affirmative rejection of a New Interest prior to the Distribution Date by a Holder of an Allowed Claim.

AA. Will any party have significant influence over the corporate governance and operations of the Reorganized Debtors?

As of the Effective Date, the terms of the current members of the board of directors of Ascend Parent shall expire and the new directors and officers of Reorganized Ascend shall be appointed in accordance with the New Organizational Documents. The initial New Board shall consist of those individuals that are selected in accordance with Article IV.K of the Plan.

Assuming that the Effective Date occurs, holders of Claims who receive a substantial percentage of the outstanding shares (or equivalent units of other interests) of the New Interests (including, the Rights Offering Interests, as applicable) may be in a position to influence matters requiring approval by the holders of shares of New Interests, including, among other things, the election or removal of the board of directors of Reorganized Ascend, mergers or consolidations, or the sale of all or substantially all of our assets. Any of such approvals may result in the change of control of the Reorganized Debtors or their assets.

BB. What steps did the Debtors take to evaluate alternatives to a chapter 11 filing?

As described in the *Declaration of Robert Del Genio, Chief Restructuring Officer of Each of the Debtors, In Support of the Debtors' Chapter 11 Petitions and First Day Motions* (the "First Day Declaration") [Docket No. 24], prior to the Petition Date, the Debtors evaluated numerous potential alternatives to increase operational efficiency, alleviate their liquidity strain, and address their funded

indebtedness. In light of the increased competition, macroeconomic and industry headwinds, and declining liquidity, the Debtors determined, in their sound business judgment, to pursue a comprehensive restructuring of their balance sheet and business affairs through a chapter 11 filing.

CC. Whom do I contact if I have additional questions with respect to this Disclosure Statement or the Plan?

If you have any questions regarding this Disclosure Statement or the Plan, please contact the Debtors' Claims and Noticing Agent, Epiq Corporate Restructuring LLC ("Epiq"), via one of the following methods:

By First-Class mail at:

Ascend Performance Materials Holdings Inc.
c/o Epiq Ballot Processing
P.O. Box 4422
Beaverton, OR 97076-4422

Via overnight courier or hand delivery at:

Ascend Performance Materials Holdings Inc.
c/o Epiq Ballot Processing
10300 SW Allen Blvd.
Beaverton, OR 97005

By electronic mail at:

ascendinfo@epiqglobal.com

By telephone (toll free) at:

(888) 890-9917 (toll free) or +1 (971) 385-8728 (international) and request to speak with a member of the Solicitation Team.

Via Online Portal at:

To submit your Ballot via the E-Balloting Portal, visit <https://dm.epiq11.com/ascend>, click on "E-Ballot" under the Case Actions section of the website and follow the instructions to submit your Ballot.

Copies of the Plan, this Disclosure Statement, and any other publicly filed documents in the Chapter 11 Cases are available upon written request to the Claims and Noticing Agent at the address above or by downloading the exhibits and documents from the website of the Claims and Noticing Agent at <https://dm.epiq11.com/Ascend> (free of charge) or the Bankruptcy Court's website at <http://www.tx.uscourts.gov> (for a fee).

DD. Do the Debtors recommend voting in favor of the Plan?

Yes. The Debtors believe that the Plan provides for a larger distribution to the Debtors' creditors than would otherwise result from any other available alternative. The Debtors believe that the Plan, which contemplates a significant deleveraging of the Debtors' balance sheet and enables them to emerge from chapter 11 expeditiously, is in the best interest of all holders of Claims or Interests and that any other alternatives (to the extent they exist) fail to realize or recognize the value inherent under the Plan.

IV. OVERVIEW OF THE PLAN

A. The Plan.

The Plan represents a significant step in the Debtors' months-long restructuring process. The Plan will significantly deleverage the Debtors' balance sheet and provide the capital injection needed for the Debtors to conduct competitive operations going forward. The Plan contemplates the following key terms, among others described herein and therein:

1. General Settlement of Claims and Interests.

As discussed in detail in the Disclosure Statement and as otherwise provided in the Plan, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims, Interests, Causes of Action, and controversies released, settled, compromised, discharged, satisfied, or otherwise resolved pursuant to the Plan (to the extent such controversies have not already been compromised and settled in accordance with the terms and conditions of the DIP Orders), including (1) any challenge to the amount, validity, perfection, enforceability, priority, or extent of the DIP Term Loan Claims, the DIP ABL Claims, the Term Loan Claims, or the General Unsecured Claims and (2) any Claim to avoid, subordinate, or disallow any DIP Term Loan Claims, DIP ABL Claims, Term Loan Claims, or General Unsecured Claims, whether under any provision of chapter 5 of the Bankruptcy Code on any equitable theory (including equitable subordination, equitable disallowance, or unjust enrichment) or otherwise. The Plan shall be deemed a motion to approve the good faith compromise and settlement of all such Claims, Interests, Causes of Action, and controversies pursuant to Bankruptcy Rule 9019, and the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable, reasonable, and in the best interests of the Debtors, their Estates, and Holders of Claims and Interests. Subject to Article VI of the Plan, all distributions made to Holders of Allowed Claims and Allowed Interests (as applicable) in any Class are intended to be, and shall be, final.

Certain Claims and Causes of Action may exist between one or more of the Debtors and one or more Debtors or Non-Debtor Subsidiaries, which Claims and Causes of Action have been settled, and such settlement is reflected in the treatment of the Intercompany Claims and the Claims against, and Interests in, each Debtor Entity. The Plan shall be deemed a motion to approve the good faith compromise and settlement of such Claims and Causes of Action pursuant to Bankruptcy Rule 9019.

2. Restructuring Transactions.

On or before the Effective Date, the applicable Debtors or the Reorganized Debtors, subject to all applicable consent rights and in accordance with the Definitive Documents, shall consummate the Restructuring Transactions and shall enter into and shall take any actions as may be necessary or appropriate to effect the Restructuring Transactions and the transactions described in, approved by, contemplated by, or necessary to effect the Plan that are consistent with and pursuant to the terms and conditions of the Plan, including: (1) the execution and delivery of any appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, formation, organization, dissolution, sale, purchase, or liquidation containing terms that are consistent with the terms of the Plan and the Plan Supplement and that satisfy the requirements of applicable Law and any other terms to which the applicable Entities may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt,

or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (3) the execution, delivery, and filing, if applicable, of appropriate certificates or articles of incorporation, formation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable Law; (4) the execution, delivery, and implementation of the Exit ABL Facility and any filings and documents related thereto; (5) the issuance of the New Interests (except for certain specified New Interests to be issued after the Effective Date in accordance with the Plan, including certain New Interests issued as a result of the Exit Holdco Loan Conversion (to the extent applicable) and the Management Incentive Plan); (6) the implementation of the Equity Rights Offering and the Debt Rights Offering pursuant to the Rights Offering Procedures; (7) the execution, delivery, and implementation of the Exit Holdco Loan Facility and any filings and documents related thereto; (8) the adoption of the Management Incentive Plan; (9) the execution and delivery of the New Organizational Documents and any certificates or articles of incorporation, bylaws, or such other applicable formation documents (if any) of each Reorganized Debtor (including all actions to be taken, undertakings to be made, obligations to be incurred, and fees and expenses to be paid by the Debtors and/or the Reorganized Debtors, as applicable); (10) such other transactions that are required to effectuate the Restructuring Transactions, including any transactions set forth in the Restructuring Transactions Memorandum; and (11) all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable Law in connection with the Plan.

The Confirmation Order shall, and shall be deemed to, pursuant to sections 363 and 1123 of the Bankruptcy Code, authorize, among other things, all of the foregoing and all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including any and all actions required to be taken under applicable non-bankruptcy Law. On the Effective Date or as soon as reasonably practicable thereafter, the Reorganized Debtors, as applicable, shall issue all Securities, notes, instruments, certificates, and other documents required to be issued pursuant to the Restructuring Transactions.

3. Reorganized Debtors.

On the Effective Date, the New Board shall be established, and the Reorganized Debtors shall adopt the New Organizational Documents. The Reorganized Debtors shall be authorized to adopt any other agreements, documents, and instruments and to take any other actions contemplated under the Plan as necessary to consummate the Plan. Cash payments to be made pursuant to the Plan will be made by the Debtors or the Reorganized Debtors, as applicable. The Debtors and the Reorganized Debtors, in compliance with the applicable Definitive Documents, will be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable the Debtors or the Reorganized Debtors, as applicable, to satisfy their obligations under the Plan, subject to the limitations set forth in the Exit ABL Facility Documents and the Exit Holdco Loan Documents.

4. Sources of Consideration for Plan Distributions.

The Debtors and the Reorganized Debtors, as applicable, shall fund distributions under the Plan with: (1) Cash on hand, including Cash from operations, the DIP Facilities, and the proceeds of the Equity Rights Offering and the Debt Rights Offering; (2) the Equity Subscription Rights; (3) the Debt Subscription Rights; (4) the New Interests; (5) the Exit ABL Facility; (6) the Exit Holdco Loan Facility, as applicable; and (7) the Asset Financing Takeback Debt.

(a) Equity Rights Offering.

The Debtors will conduct the Equity Rights Offering, and unless otherwise determined by the Debtors, it is expected that the Equity Rights Offering will commence as soon as reasonably practicable

after the [date of entry of the Disclosure Statement Order]. On the Effective Date, the Debtors or the Reorganized Debtors, as applicable, will issue the Rights Offering Interests in accordance with the Equity Rights Offering Documents. Pursuant to the Plan and the Equity Rights Offering Documents, the Debtors or the Reorganized Debtors, as applicable, will distribute the Equity Subscription Rights to each Equity Rights Offering Eligible Offeree and allow for the exercise of the Equity Subscription Rights on or prior to the Effective Date in accordance with the Equity Rights Offering Documents in an aggregate amount equal to the Equity Rights Offering Amount. The Rights Offering Interests that are issued shall be purchased at the Discount to Plan Equity Value in Cash. The Debtors or Reorganized Debtors, as applicable, shall allocate the Equity Subscription Rights to Holders of Allowed DIP Term Loan Claims as set forth in the Plan and the Rights Offering Procedures.

Except as provided in the Plan or in the Equity Rights Offering Documents, the Equity Subscription Rights are not separately transferrable, exercisable, or detachable from the DIP Term Loan Claims and may only be transferred together with the DIP Term Loan Claims. To the extent that the Equity Subscription Rights are deemed to be “securities” as defined in section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code, and applicable state Securities Laws, the Debtors intend that the exemption provisions of section 1145 of the Bankruptcy Code (or another exemption from the federal, state, or local Securities Law with respect to the offering, distribution, and issuance of Securities) apply to the offering, issuance, and distribution of such Equity Subscription Rights.

As set forth in the Equity Rights Offering Documents, the issuance of the Rights Offering Interests with respect to the Equity Rights Offering will be conducted on a Pro Rata basis in reliance upon one or more exemptions from registration under the Securities Act, which is expected to include the exemption from registration set forth in section 4(a)(2) of the Securities Act and/or Regulation D or Regulation S promulgated thereunder or another available exemption from registration under the Securities Act. Persons acquiring any Rights Offering Interests are expected to hold “restricted securities” under the Securities Act. Such Securities may not be transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom and subject to any restrictions in the New Organizational Documents.

Pursuant to the Equity Rights Offering Documents, the Equity Backstop Parties shall have committed to fully backstop and fund, severally, and not jointly, the Equity Rights Offering Amount. Each Equity Rights Offering Eligible Offeree (other than the Equity Backstop Parties) may elect to participate for up to its Pro Rata share of the Equity Subscription Rights, and once validly elected, the Equity Rights Offering Eligible Offeree shall be an Equity Rights Offering Participant committed to fund such amount in accordance with the Equity Rights Offering Documents. For the avoidance of doubt, each Equity Backstop Party shall subscribe for its respective Pro Rata share of the Equity Rights Offering in its capacity as an Equity Rights Offering Participant. In addition, Rights Offering Interests will be sold, issued, and distributed to the Equity Backstop Parties under, and as set forth in, the Equity Rights Offering Documents. Pursuant to the Equity Rights Offering Documents, the Equity Backstop Parties will be obligated to purchase any New Interests not subscribed for in the Equity Rights Offering by the Equity Rights Offering Participants. On the Effective Date, the rights and obligations of the Debtors under the Equity Rights Offering Documents shall vest in the Reorganized Debtors. On the Effective Date, the Equity Backstop Parties will receive the Equity Backstop Premium, which will be payable in New Interests.

The terms of the Equity Rights Offering shall be set forth in the Equity Rights Offering Documents, and in any event, shall include the following terms:

- (1) Offering Size: the Equity Rights Offering shall be equal to the Equity Rights Offering Amount;

- (2) Use of Proceeds: the proceeds of the Equity Rights Offering shall be used to fund the costs of emergence and the Reorganized Debtors' go-forward liquidity needs;
- (3) Backstop Parties: the Equity Rights Offering shall be backstopped by the Equity Backstop Parties on a Pro Rata basis with their existing DIP Term Loan Claims;
- (4) [Discount: the New Interests issued pursuant to the Equity Rights Offering shall be issued at a [●]% discount to Plan Equity Value]; and
- (5) Equity Backstop Premium: the Equity Backstop Parties shall be paid the Equity Backstop Premium, which shall equal [10.0]% of such backstopped amounts and shall be paid in equity [at the Discount to Plan Equity Value.]

(b) Issuance of the New Interests.

The issuance of the New Interests, including the DIP Equity Recovery, the Equity Backstop Premium, and the Rights Offering Interests (including any New Interests issued as a result of the Exit Holdco Loan Conversion (to the extent applicable)), any options or other equity awards, if any, reserved for (or as a result of) the Management Incentive Plan and/or the Exit Holdco Loan Conversion (to the extent applicable) by the Reorganized Debtors (as set forth in the Restructuring Transactions Memorandum) shall be authorized without the need for any further corporate action or without any further action by Holders of Claims or Interests. Reorganized Ascend shall be authorized to issue a certain number of shares of New Interests as required under the Plan and pursuant to the New Organizational Documents.

On the Effective Date, the Debtors or Reorganized Debtors, as applicable, shall issue all Securities, notes, instruments, certificates, and other documents required to be issued pursuant to the Plan, including the New Interests. All of the shares of New Interests issued or authorized to be issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable. Each distribution and issuance referred to in Article VI thereof shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance. Any Entity's acceptance of New Interests shall be deemed as its agreement to the New Organizational Documents, as the same may be amended or modified from time to time following the Effective Date in accordance with their respective terms, and each such Entity will be bound thereby in all respects.

All New Interests issued under the Plan (other than the Rights Offering Interests, any New Interests issued pursuant to the Exit Holdco Loan Conversion (to the extent applicable) by the Reorganized Debtors, or any New Interests issued pursuant to the Management Incentive Plan) will be exempt from, among other things, the registration and prospectus delivery requirements under the Securities Act or any similar federal, state, or local Laws in reliance upon section 1145 of the Bankruptcy Code to the maximum extent permitted and applicable and, to the extent that reliance on such section is either not permitted or not applicable, the exemption set forth in section 4(a)(2) of the Securities Act and/or Regulation D or Regulation S promulgated thereunder (or another applicable exemption from the registration requirements of the Securities Act). All New Interests issued pursuant to the exemption from registration set forth in section 4(a)(2) of the Securities Act and/or Regulation D or Regulation S promulgated thereunder (or other similar exemption from registration) will be considered "restricted securities" and may not be transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom.

Securities issued in reliance upon section 1145 of the Bankruptcy Code, to the fullest extent permitted and available, are exempt from, among other things, the registration requirements of section 5 of the Securities Act and any other applicable federal Securities Law or state Securities Law requiring registration prior to the offering, issuance, distribution, or sale of Securities (except with respect to a Person that is an “underwriter” as defined in section 1145(b) of the Bankruptcy Code). Except as otherwise provided in the Plan or the governing certificates or instruments (including the New Organizational Documents), any and all such Securities so issued under the Plan (a) will not be “restricted securities” as defined in Rule 144(a)(3) under the Securities Act, and (b) will be freely tradeable and transferable under the Securities Act by any Holder thereof that, at the time of transfer, (i) is not an “affiliate” of the Reorganized Debtors as defined in Rule 144(a)(1) under the Securities Act and (ii) has not been such an “affiliate” of the Reorganized Debtors within 90 days of such transfer of the Reorganized Debtors, subject to (A) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an “underwriter” in section 1145(b) of the Bankruptcy Code, (B) compliance with applicable Securities Laws, including any rules and regulations of the SEC or U.S., state, or local Securities Laws that are applicable (if any) at the time of any future transfer of such Securities or instruments, and (C) any restrictions in the New Organizational Documents. The issuance of the New Interests or any other Securities shall not constitute an invitation or offer to sell, or the solicitation of an invitation or offer to buy, any Securities in contravention of any applicable Law in any jurisdiction. No action has been taken, or will be taken, in any jurisdiction that would permit a public offering of any of the New Interests (other than Securities issued pursuant to section 1145 of the Bankruptcy Code) in any jurisdiction where such action for that purpose is required.

Persons who acquire the New Interests pursuant to the exemption from registration set forth in section 4(a)(2) of the Securities Act and/or Regulation D or Regulation S promulgated thereunder (or other similar exemption from registration) will hold “restricted securities.” Such Persons include the participants under the Equity Rights Offering, Holders of any New Interests issued pursuant to the Exit Holdco Loan Conversion (to the extent applicable) and/or the Management Incentive Plan who receive New Interests of Reorganized Ascend. Resales of such restricted Securities would not be exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable Law. Subject to any restrictions in the New Organizational Documents and any other applicable Securities Laws, Holders of “restricted securities” would, however, be permitted to resell New Interests without registration if they are able to comply with the applicable provisions of Rule 144 or Rule 144A under the Securities Act (if available) or any other exemption from registration under the Securities Act, or if such Securities are registered with the SEC.

The Reorganized Debtors need not provide any further evidence other than the Plan or the Confirmation Order to any Entity (including DTC and any transfer agent for the New Interests) with respect to the treatment of the New Interests to be issued under the Plan under applicable Securities Laws. Should the Reorganized Debtors elect on or after the Effective Date to reflect any ownership of the New Interests through the facilities of DTC, DTC shall be required to accept and conclusively rely upon the Plan and Confirmation Order in lieu of a legal opinion regarding whether the Securities to be issued under the Plan are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services. Notwithstanding anything to the contrary in the Plan, no Entity (including, for the avoidance of doubt, DTC or any transfer agent for Securities) may require a legal opinion regarding the validity of any transaction contemplated by the Plan, including, for the avoidance of doubt, whether the Securities to be issued under the Plan are exempt from registration and/or eligible for book-entry delivery, settlement, and depository services (to the extent applicable).

All of the foregoing documents shall be binding on all Entities receiving, and all Holders of, the New Interests (and their respective successors and assigns), whether such New Interests (including any New Interests issued as a result of the Exit Holdco Loan Conversion (to the extent applicable)) are received

or to be received on or after the Effective Date and regardless of whether such Entity executes or delivers a signature page to any of the foregoing documents. Acceptance of New Interests pursuant to the Plan, the Equity Rights Offering, or the Exit Holdco Loan Conversion (to the extent applicable) shall be deemed to constitute an agreement to be bound by, without the need for execution by such Holder of New Interests, the New Organizational Documents (including the New Equityholders Documents and any documents related thereto and as may be amended from time to time in accordance with the terms thereof).

Entry of the Confirmation Order shall constitute approval of the Equity Backstop Premium payable to the Equity Backstop Parties in New Interests on the Effective Date. Subject only to the occurrence of the Effective Date, the provision of the Equity Rights Offering Documents and the terms and conditions for any closing fees, discounts, fees, and/or premiums, including, without limitation, the Equity Backstop Premium, shall be deemed fully satisfied and earned as of the entry of the Confirmation Order. The amount of the Equity Backstop Premium is a bargained for and an integral part of the Restructuring Transactions contemplated under the Plan.

(c) Debt Rights Offering.

The Debtors will conduct the Debt Rights Offering, and, unless determined otherwise by the Debtors and the Required DIP Term Loan Lenders, it is expected that the Debt Rights Offering will commence as soon as reasonably practicable after the [Confirmation Date]. Pursuant to the Plan and the Debt Rights Offering Documents, the Debtors or the Reorganized Debtors, as applicable, will allow for the exercise of the Debt Subscription Rights on or prior to the Effective Date in an aggregate amount equal to the Debt Rights Offering Amount. On the Effective Date, the Debtors or the Reorganized Debtors, as applicable, will enter into the Exit Holdco Loan Facility in accordance with the Debt Rights Offering Documents and the Debt Rights Offering Participants will fund the Exit Holdco Loan Facility as set forth below.

The Debt Rights Offering shall be open to all Debt Rights Offering Eligible Offerees, and the Debt Rights Offering Eligible Offerees shall be entitled to participate in the Debt Rights Offering up to a maximum amount of each such Debt Rights Offering Eligible Offeree's share of the Debt Subscription Rights as set forth in the Debt Rights Offering Documents. Each Debt Rights Offering Eligible Offeree may exercise either all or none of its Debt Subscription Rights. Except as otherwise provided in the Plan or in the Debt Rights Offering Documents, the Debt Subscription Rights are not separately transferrable, exercisable, or detachable from the DIP Term Loan Claims and may only be transferred together with the DIP Term Loan Claims. To the extent the Debt Subscription Rights are deemed to be "Securities" as defined in section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code, and applicable state Securities Laws, the Debtors intend that the exemption provisions of section 1145 of the Bankruptcy Code (or another exemption from the federal, state, or local Securities Law with respect to the offering, distribution, and issuance of Securities) would apply to the offering, issuance, and distribution of such Debt Subscription Rights. For the avoidance of doubt, participations and/or loans in the Exit Holdco Loan Facility shall not be Securities, and the Reorganized Debtors need not provide any further evidence (other than the Plan or the Confirmation Order) to any Entity with respect to the treatment of the Debt Subscription Rights or the participations and/or loans to be issued pursuant to the Plan under any applicable U.S., state Securities, or local Securities Laws.

In accordance with the Debt Rights Offering Documents, the Debt Backstop Parties have committed to fully backstop, severally and not jointly, the Debt Rights Offering Amount and to fund the Exit Holdco Loan Facility. Each Debt Backstop Party shall fund its commitment amount of the Exit Holdco Loan Facility. Each Debt Rights Offering Eligible Offeree may elect to participate for its Pro Rata share of the Exit Holdco Loan Facility, and once elected, such Debt Rights Eligible Offeree shall be committed to fund such amount as a Debt Rights Offering Participant in accordance with the Debt Rights Offering

Documents. For the avoidance of doubt, each Debt Backstop Party shall fully subscribe for its respective Pro Rata share of the Debt Rights Offering its capacity as a Debt Rights Offering Participant. Upon exercise of the Debt Subscription Rights pursuant to the terms of the Debt Rights Offering Documents, the Reorganized Debtors shall be authorized to enter into the Exit Holdco Loan Facility and consummate the Debt Rights Offering, including any later issuance of New Interests pursuant to the Exit Holdco Loan Conversion, as may be applicable.

Participation in the Debt Rights Offering shall be deemed to constitute an agreement to be bound by, without the need for execution by such Debt Rights Offering Participant, the Exit Holdco Loan Documents (including any documents related thereto and as may be amended from time to time in accordance with the terms thereof). All of the foregoing documents shall be binding on all Entities receiving, and all Holders of, the Exit Holdco Loan Facility (and their respective successors and assigns), whether such loans under the Exit Holdco Loan Facility are received or to be received on or after the Effective Date and regardless of whether such Entity executes or delivers a signature page to any of the foregoing documents.

The terms of the Debt Rights Offering shall be set forth in the Debt Rights Offering Documents, and in any event, shall include the following terms:

- (1) Offering Size: the Debt Rights Offering shall be equal to the Debt Rights Offering Amount;
- (2) Use of Proceeds: the proceeds of the Debt Rights Offering shall be used to fund the costs of emergence and the Reorganized Debtors' go-forward liquidity needs;
- (3) Backstop Parties: the Debt Rights Offering shall be backstopped by the Debt Backstop Parties on a Pro Rata basis with their existing DIP Term Loan Claims; and
- (4) Debt Backstop Premium: the Debt Backstop Parties shall be paid the Debt Backstop Premium, which shall equal [10.0]% of such backstopped amounts and shall be paid in additional principal in the Exit Holdco Loan Facility.

(d) Exit ABL Facility.

On the Effective Date, the Reorganized Debtors shall enter into the Exit ABL Facility, the terms of which will be set forth in the Exit ABL Facility Documents. Confirmation of the Plan shall be deemed (a) approval of the Exit ABL Facility (including the transactions and related agreements contemplated thereby and all actions to be taken, undertakings to be made, and obligations to be incurred and fees and expenses to be paid by the Debtors or the Reorganized Debtors, as applicable, in connection therewith), to the extent not approved by the Bankruptcy Court previously and (b) authorization for the Debtors or the Reorganized Debtors, as applicable, to, without further notice to or order of the Bankruptcy Court, (i) execute and deliver those documents and agreements necessary or appropriate to pursue or obtain the Exit ABL Facility, including the Exit ABL Facility Documents, and incur and pay any fees and expenses in connection therewith, and (ii) act or take action under applicable Law, regulation, order, or rule or vote, consent, authorization, or approval of any Person, subject to such modifications as the Debtors or the Reorganized Debtors, as applicable, may deem to be necessary to consummate the Exit ABL Facility.

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

To the extent provided in the Exit ABL Facility Documents, the Holder(s) of Liens under the Exit ABL Facility Documents are authorized to file with the appropriate authorities mortgages, financing statements, and other documents and to take any other action in order to evidence, validate, and perfect such Liens or security interests. The guarantees, mortgages, pledges, Liens, and other security interests granted to secure the obligations arising under the Exit ABL Facility Documents have been granted in good faith, for legitimate business purposes, and for reasonably equivalent value as an inducement to the lenders thereunder to extend credit thereunder and shall be deemed not to constitute a fraudulent conveyance or fraudulent transfer and shall not otherwise be subject to avoidance, recharacterization, or subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy Law, and the priorities of such Liens and security interests shall be as set forth in the Exit ABL Facility Documents.

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

(e) Exit Holdco Loan Facility.

On the Effective Date, the Reorganized Debtors shall enter into the Exit Holdco Loan Facility, the terms of which will be set forth in the Exit Holdco Loan Documents, which must be in form and substance consistent with Article IV.D.3 of the Plan and the Exit Holdco Loan Term Sheet as Filed on or prior to the voting deadline. Confirmation of the Plan shall be deemed (a) approval of the Exit Holdco Loan Facility (including the transactions and related agreements contemplated thereby and all actions to be taken, undertakings to be made, and obligations to be incurred and fees and expenses to be paid by the Debtors or the Reorganized Debtors, as applicable, in connection therewith), to the extent not approved by the Bankruptcy Court previously and (b) authorization for the Debtors or the Reorganized Debtors, as applicable, to, without further notice to or order of the Bankruptcy Court, (i) execute and deliver those documents and agreements necessary or appropriate to pursue or obtain the Exit Holdco Loan Facility, including the Exit Holdco Loan Documents, and incur and pay any fees and expenses in connection therewith, and (ii) act or take action under applicable Law, regulation, order, or rule or vote, consent, authorization, or approval of any Person, subject to such modifications as the Debtors or the Reorganized Debtors, as applicable, may deem to be necessary to consummate the Exit Holdco Loan Facility.

As of the Effective Date, upon the granting or continuation of Liens in accordance with the Exit Holdco Loan Documents, all of the Liens and security interests to be granted in accordance with the Exit

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

To the extent provided in the Exit Holdco Loan Documents, the Holder(s) of Liens under the Exit Holdco Loan Documents are authorized to file with the appropriate authorities mortgages, financing statements, and other documents and to take any other action in order to evidence, validate, and perfect such Liens or security interests. The guarantees, mortgages, pledges, Liens, and other security interests granted to secure the obligations arising under the Exit Holdco Loan Documents have been granted in good faith, for legitimate business purposes, and for reasonably equivalent value as an inducement to the lenders thereunder to extend credit thereunder and shall be deemed not to constitute a fraudulent conveyance or fraudulent transfer and shall not otherwise be subject to avoidance, recharacterization, or subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy Law, and the priorities of such Liens and security interests shall be as set forth in the Exit Holdco Loan Documents.

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

Entry of the Confirmation Order shall constitute approval of the Debt Backstop Premium payable to the Debt Backstop Parties in additional principal on the Effective Date. Subject only to the occurrence of the Effective Date, the provision of the Exit Holdco Loan Documents and the terms and conditions for any closing fees, discounts, fees, and/or premiums, including, but not limited to, the Debt Backstop Premium, shall be deemed fully satisfied and earned as of the entry of the Confirmation Order. The amount of the Debt Backstop Premium is a bargained-for and integral part of the Restructuring Transactions contemplated under the Plan.

The terms of the Exit Holdco Loan Facility shall be set forth in the Exit Holdco Loan Documents, and in any event, shall include the following terms:

- (1) Collateral: the Exit Holdco Loan Facility shall be secured by an equity pledge granted by Reorganized Ascend;
- (2) Rate: [2.0]% per annum, payable in Cash; *provided, however*, that such rate shall increase to [8.0]% twelve (12) months after the issuance of the Exit Holdco Loan Facility;
- (3) Amortization: none;

- (4) Maturity: the Exit Holdco Loan Facility shall have a maturity date that is five (5) years after the date of issuance;
- (5) Conversion: all principal outstanding under the Exit Holdco Loan Facility shall be eligible for the Exit Holdco Loan Conversion twelve (12) months after the issuance thereof, subject to the approval of more than 50% of the Holders of the Exit Holdco Loan Facility, at a price equal to the Discount to Plan Equity Value;
- (6) Call Protection: none;
- (7) Ratings: the Exit Holdco Loan Facility shall be privately rated; and
- (8) Financial Covenants: the Exit Holdco Loan Facility shall not have any financial covenants.

(f) Asset Financing Takeback Debt.

[On the Effective Date, the Reorganized Debtors shall issue the Asset Financing Takeback Debt, the terms of which will be set forth in the Asset Financing Takeback Debt Documents. To the extent applicable, Confirmation of the Plan shall be deemed (a) approval of the Asset Financing Takeback Debt (including the transactions and related agreements contemplated thereby and all actions to be taken, undertakings to be made, and obligations to be incurred and fees and expenses to be paid by the Debtors or the Reorganized Debtors, as applicable, in connection therewith), to the extent not approved by the Bankruptcy Court previously and (b) authorization for the Debtors or the Reorganized Debtors, as applicable, to, without further notice to or order of the Bankruptcy Court, (i) execute and deliver those documents and agreements necessary or appropriate to pursue or obtain the Asset Financing Takeback Debt, and incur and pay any fees and expenses in connection therewith, and (ii) act or take action under applicable Law, regulation, order, or rule or vote, consent, authorization, or approval of any Person, subject to such modifications as the Debtors or the Reorganized Debtors, as applicable, with the reasonable consent of the Required DIP Term Loan Lenders may deem to be necessary to issue the Asset Financing Takeback Debt.

As of the Effective Date, upon the granting of Liens in accordance with the Asset Financing Takeback Debt Documents, all of the Liens and security interests, if any, to be granted in accordance with the Asset Financing Takeback Debt Documents (a) shall be deemed to be granted, (b) shall be legal, binding, automatically perfected, non-avoidable, and enforceable Liens on, and security interests in, the applicable collateral in accordance with the respective terms of the Asset Financing Takeback Debt Documents, (c) shall be deemed perfected on or prior to the Effective Date, subject only to such Liens and security interests, if any, as may be permitted under the respective Asset Financing Takeback Debt Documents, and (d) shall not be subject to avoidance, recharacterization, or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers, fraudulent transfers, or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy Law.

To the extent provided in the Asset Financing Takeback Debt Documents, the Holder(s) of Liens, if any, under the Asset Financing Takeback Debt Documents are authorized to file with the appropriate authorities mortgages, financing statements, and other documents and to take any other action in order to evidence, validate, and perfect such Liens or security interests. The guarantees, mortgages, pledges, Liens, and other security interests, if any, granted to secure the obligations arising under the Asset Financing Takeback Debt Documents have been granted in good faith, for legitimate business purposes, and for reasonably equivalent value as an inducement to the lenders thereunder to extend credit thereunder and

shall be deemed not to constitute a fraudulent conveyance or fraudulent transfer and shall not otherwise be subject to avoidance, recharacterization, or subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy Law, and the priorities of such Liens and security interests, if any, shall be as set forth in the Asset Financing Takeback Debt Documents.

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

5. Corporate Existence.

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

6. Vesting of Assets in the Reorganized Debtors.

Except as otherwise provided in (1) the Confirmation Order or the Plan (including the Restructuring Transactions Memorandum and Article VIII thereof), or (2) any agreement, instrument, or other document incorporated in, or entered into in connection with or pursuant to, the Plan or the Plan Supplement, on the Effective Date, all property in each Estate, all Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, Causes of Action, or other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, the Plan Supplement, the Confirmation Order, or any agreement, instrument, or other document incorporated herein, including Article VIII thereof, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules. For the avoidance of doubt, (a) no

Reorganized Debtor shall be treated as being liable on any Claim that is discharged pursuant to the Plan, and (b) no contract, agreement, instrument, or other document (including any and all indemnification provisions) or property of the Estate in favor of (i) the Sponsor or (ii) any other Excluded Party shall vest in the Reorganized Debtors.

7. Cancellation of Existing Securities and Agreements.

On the Effective Date, except as otherwise provided in the Plan, the Definitive Documents (including the Plan Supplement), or the Confirmation Order, all notes, instruments, Securities (including equity Securities), certificates, credit agreements, indentures, security agreements, collateral agreements, and other documents evidencing (1) Claims against any of the Debtors or (2) Interests in Ascend Parent [and APM Disc] shall be canceled, and all present and future obligations and liabilities, actions, suits, accounts or demands, covenants, and indemnities (both actual and contingent), under or in connection with the ABL Credit Agreement, Bridge Credit Agreement, the Term Loan Credit Agreement, the DIP ABL Credit Agreement, the DIP Term Loan Credit Agreement[, and the Asset Financing Agreements] of the Debtors or the Reorganized Debtors, as applicable, and any Non-Debtor Subsidiaries thereunder, or in any way related thereto, shall be deemed satisfied in full, canceled, released, discharged, and of no force or effect without the need for further action or approval of the Bankruptcy Court or for a Holder to take further action, and the Agents shall be discharged and released and shall not have any continuing duties or obligations thereunder. Holders of or parties to such canceled instruments, Securities, and other documentation will have no rights arising from or relating to such instruments, Securities, and other documentation, or the cancellation thereof, except the rights, distributions, and treatment provided for or preserved pursuant to the Plan or the Confirmation Order.

Notwithstanding anything to the contrary herein, but subject to any applicable provisions of Article VI of the Plan and the Confirmation Order, the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement (including, in each case, all documents ancillary thereto), shall continue in effect to: (1) permit Holders of Claims under the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement to receive their respective Plan Distributions, if any; (2) permit the Reorganized Debtors and the Distribution Agent, as applicable, to make Plan Distributions on account of the Allowed Claims under the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement, as applicable; and (3) permit each of the Agents under the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement to seek indemnification, compensation, and/or reimbursement of fees and expenses through the exercise of charging Liens, to the extent provided for in the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement. Except as provided in the Plan (including Article VI thereof) or the Confirmation Order, on the Effective Date, the Agents and their respective agents, successors, and assigns shall be automatically and fully discharged of all of their duties and obligations associated with the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement, as applicable. The commitments and obligations (if any) of the Holders of the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement to extend any further or future credit or financial accommodations to any of the Debtors, any of the Non-Debtor Subsidiaries, or any of their respective successors or assigns under the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement, as applicable, shall fully terminate and be of no further force or effect on the Effective Date.

8. Corporate Action.

Upon the Effective Date, all actions contemplated under the Plan shall be deemed authorized and approved in all respects, including: (1) implementation of the Restructuring Transactions, including the Equity Rights Offering and the Debt Rights Offering; (2) selection of the directors, managers, and officers for the Reorganized Debtors, including the New Board; (3) issuance and distribution of the New Interests; (4) entry into the Equity Rights Offering Documents; (5) entry into the Debt Rights Offering Documents; (6) entry into the Exit ABL Facility; (7) entry into the Exit Holdco Loan Facility; (8) adoption of the New Organizational Documents; (9) rejection, assumption, or assumption and assignment, as applicable, of Executory Contracts and Unexpired Leases; (10) modification, rejection, adoption or assumption, as applicable, of the Compensation and Benefits Programs; (11) adoption of the Management Incentive Plan; (12) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date, including with respect to the Exit Holdco Loan Conversion (to the extent applicable)); and (13) all other acts or actions contemplated or reasonably necessary or appropriate to promptly consummate the Restructuring Transactions contemplated by the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan involving the corporate structure of the Debtors or the Reorganized Debtors, and any corporate, partnership, limited liability company, or other governance action required by the Debtors or the Reorganized Debtors, as applicable, in connection with the Plan shall be deemed to have occurred and shall be in effect, without any requirement of further action by the Security Holders, members, directors, managers, or officers of the Debtors or the Reorganized Debtors, as applicable.

On or prior to the Effective Date, as applicable, the appropriate officers of the Debtors or the Reorganized Debtors, as applicable, shall be authorized and (as applicable) directed to issue, execute, and deliver the agreements, documents, Securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Reorganized Debtors, including the Exit ABL Facility Documents, the New Interests, the Equity Rights Offering Documents, the Debt Rights Offering Documents, the Exit Holdco Loan Documents, the New Organizational Documents, any other Definitive Document and any and all other agreements, documents, Securities, and instruments relating to the foregoing. The authorizations and approvals contemplated by Article IV.H of the Plan shall be effective notwithstanding any requirements under non-bankruptcy Law.

9. New Organizational Documents.

On or immediately prior to the Effective Date, the New Organizational Documents shall be automatically adopted or amended in a manner consistent with the Plan and as may be necessary to effectuate the transactions contemplated herein by the applicable Reorganized Debtor. To the extent required under the Plan or applicable non-bankruptcy Law, each of the Reorganized Debtors will file its New Organizational Documents with the applicable secretaries of state and/or other applicable authorities in its respective state, province, or country of incorporation and organization if and to the extent required in accordance with the applicable Laws of the respective state or country of organization. The New Organizational Documents will (1) prohibit the issuance of non-voting equity Securities, to the extent required under section 1123(a)(6) of the Bankruptcy Code, (2) with respect to the New Organizational Documents for Reorganized Ascend, including the New Equityholders' Documents, authorize the issuance of the New Interests in an amount not less than the amount necessary to permit the distributions thereof required or contemplated by the Plan, and (3) to the extent necessary or appropriate, include such provisions as may be needed to effectuate and consummate the Plan and the Restructuring Transactions contemplated herein. The New Organizational Documents shall also provide for standard and customary indemnification and exculpation of directors, officers, managers, and the other appropriate Persons to the fullest extent permitted by applicable Law.

On and as of the Effective Date, each Holder of New Interests shall be deemed to be a party to the New Equityholders' Agreement and bound by the New Organizational Documents (including any documents related thereto and as may be amended from time to time in accordance with the terms thereof) without the need for execution by such Holder. The New Equityholders' Agreement shall be binding on all Entities receiving, and all Holders of, the New Interests (and their respective successors and assigns), whether such New Interests (including any New Interests issued as a result of the Exit Holdco Loan Conversion (to the extent applicable)) are received or to be received on or after the Effective Date and regardless of whether such Entity executes or delivers a signature page to the New Equityholders' Agreement.

After the Effective Date, the Reorganized Debtors may amend, amend and restate, or otherwise modify their respective New Organizational Documents in accordance with the terms thereof, and the Reorganized Debtors may file such amended, amended and restated, or otherwise modified certificates or articles of incorporation, bylaws, or such other applicable formation documents, and other constituent documents as permitted by the Laws of the respective states, provinces, or countries of incorporation and the New Organizational Documents.

10. [Indemnification Obligations.]

Consistent with applicable Law, all indemnification provisions, other than the indemnification provisions in favor of any Excluded Party, in place immediately before the Effective Date (whether in the bylaws, certificates of incorporation or formation, limited liability company agreements, other organizational documents, board resolutions, indemnification agreements, employment contracts, D&O Liability Insurance Policies, or otherwise) for current and former directors, officers, managers, employees, attorneys, accountants, investment bankers, and other professionals of each of the Debtors, as applicable, shall (1) not be discharged, impaired, or otherwise affected in any way, including by the Plan, the Plan Supplement, or the Confirmation Order, (2) remain intact, in full force and effect, and irrevocable, (3) not be limited, reduced, or terminated after the Effective Date, and (4) survive the effectiveness of the Plan on terms no less favorable to such current and former directors, officers, managers, employees, attorneys, accountants, investment bankers, and other professionals of the Debtors than the indemnification provisions in place prior to the Effective Date irrespective of whether such indemnification obligation is owed for an act or event occurring before, on, or after the Petition Date. All such obligations shall be deemed and treated as Executory Contracts to be assumed by the Debtors under the Plan and shall continue as obligations of the Reorganized Debtors so long as such Entity is not an Excluded Party.

Notwithstanding anything to the contrary in the Plan or the Confirmation Order, none of the indemnification provisions providing for the indemnification of the Excluded Parties by the Debtors or the Non-Debtor Subsidiaries shall be assumed, and such indemnification provisions shall be rejected as of the Effective Date with regard to the Excluded Parties.]⁹

11. Directors and Officers of the Reorganized Debtors.

As of the Effective Date, the terms of the current members of the board of directors of Ascend Parent shall expire and the new directors and officers of Reorganized Ascend shall be appointed in accordance with the New Organizational Documents; *provided* that the Disinterested Directors shall retain their authority following the Effective Date solely with respect to matters relating to Professional Claim requests by Professionals acting at their authority and direction in accordance with the terms of the Plan.

⁹ The Debtors and the Ad Hoc Group continue to negotiate the terms of and have not agreed on the form of Article IV.J of the Plan.

The Disinterested Directors shall not have any of their privileged and confidential documents, communications, or information transferred (or deemed transferred) to the Reorganized Debtors or any other Entity without the Disinterested Directors' prior written consent. Each Disinterested Director of the Debtors retains the right to review, approve, and make decisions, and to file papers and be heard before the Bankruptcy Court, on all matters under their continuing authority. The New Board shall consist of [●] directors or managers, as applicable, as designated in accordance with the New Equityholders' Agreement. The initial members of the New Board will be identified in the Plan Supplement to the extent known at the time of Filing. Each such director, manager, and/or officer, as applicable of the Reorganized Debtors shall serve from and after the Effective Date pursuant to the New Organizational Documents and the other constituent documents of the Reorganized Debtors. Corporate governance for Reorganized Ascend, including charters, bylaws, operating agreements, or other organization documents, as applicable, shall be consistent with section 1123(a)(6) of the Bankruptcy Code and the New Organizational Documents.

12. Effectuating Documents; Further Transactions.

On and after the Effective Date, the Reorganized Debtors and their respective officers, directors, members, or managers (as applicable), are authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan and the Securities issued pursuant to the Plan in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization, or consents except for those expressly required pursuant to the Plan.

13. Section 1146 Exemption.

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code, any transfers (whether from a Debtor to a Reorganized Debtor or to any other Person) of property under the Plan or pursuant to: (1) the issuance, distribution, transfer, or exchange of any debt, equity Security, or other interest in the Debtors or the Reorganized Debtors, including the New Interests; (2) the Restructuring Transactions; (3) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means; (4) the making, assignment, or recording of any lease or sublease; (5) the grant of collateral as security for the Exit ABL Facility; (6) the grant of collateral as security for the Exit Holdco Loan Facility; or (7) 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 document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, personal property 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 upon entry of the Confirmation Order, the appropriate 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, recordation fee, or governmental assessment. All filing or recording officers (or any other Person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146(a) of the Bankruptcy Code, shall forego the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

14. Director and Officer Liability Insurance.

[To the extent consistent with Article IV.J of the Plan, the Reorganized Debtors shall be deemed to have assumed all of the Debtors' D&O Liability Insurance Policies pursuant to sections 105 and 365(a) of the Bankruptcy Code effective as of the Effective Date. Entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Reorganized Debtors' foregoing assumption of each of the unexpired D&O Liability Insurance Policies. To the extent consistent with Article IV.J of the Plan, Confirmation of the Plan shall not discharge, impair, or otherwise modify any indemnity obligations assumed by the foregoing assumption of 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 Debtors under the Plan as to which no Proof of Claim need be Filed. Coverage for defense and indemnity under the D&O Liability Insurance Policies shall remain available to all individuals insured thereunder, to the extent consistent with Article IV.J of the Plan.

In addition, to the extent consistent with Article IV.J of the Plan, after the Effective Date, none of the Reorganized Debtors shall terminate or otherwise reduce the coverage under any D&O Liability Insurance Policies (including any "tail policy") in effect on or after the Petition Date, with respect to conduct or events occurring prior to the Effective Date, and all directors, managers, and/or officers, as applicable, of the Debtors who served in such capacity at any time prior to the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy, to the extent set forth therein, regardless of whether such directors, managers, and/or officers, as applicable, remain in such positions after the Effective Date.

The Debtors and the Reorganized Debtors, as applicable, shall maintain tail coverage under any D&O Liability Insurance Policies for the six-year period following the Effective Date on terms no less favorable than under, and with an aggregate limit of liability no less than the aggregate limit of liability under, the D&O Liability Insurance Policies, to the extent consistent with Article IV.J of the Plan. In addition to such tail coverage, the D&O Liability Insurance Policies shall remain in place in the ordinary course during the Chapter 11 Cases.

To the extent consistent with Article IV.J of the Plan, the Debtors or the Reorganized Debtors, as applicable, shall not terminate or otherwise reduce the coverage under any of the D&O Liability Insurance Policies in effect prior to the Effective Date, and any directors and officers of the Debtors who served in such capacity at any time before or after the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether such directors and/or officers remain in such positions after the Effective Date.]¹⁰

15. Management Incentive Plan.

On or after the Effective Date, the New Board shall adopt the Management Incentive Plan consistent with the MIP Term Sheet, which shall be included in the Plan Supplement. All grants under the Management Incentive Plan shall ratably dilute all equity issued pursuant to the Plan, including any New Interests issued pursuant to the Term Loan Equity Distribution, the DIP Equity Recovery, the Equity Rights Offering, and the Debt Rights Offering.

16. Employee and Retiree Benefits.

Unless included in the Rejected Executory Contracts and Unexpired Leases Schedule, and subject to Article V of the Plan all Compensation and Benefits Programs shall be assumed or modified, in each

¹⁰ The Debtors and the Ad Hoc Group continue to negotiate the terms of and have not agreed on the form of Article IV.P of the Plan.

case, by the Reorganized Debtors with the consent of the Required DIP Term Loan Lenders and shall remain in place as of the Effective Date, and the Reorganized Debtors will continue to honor such agreements, arrangements, programs, and plans.

For the avoidance of doubt, pursuant to section 1129(a)(13) of the Bankruptcy Code, from and after the Effective Date, all retiree benefits (as such term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid in accordance with applicable Law. Notwithstanding anything in the Plan to the contrary, other than to the extent such agreements are included on the Rejected Executory Contracts and Unexpired Leases Schedule on or before September 30, 2025, on the Effective Date, the Reorganized Debtors shall (1) assume all employment agreements, indemnification agreements, or other agreements entered into with the current employees or (2) enter into new agreements with such employees.

17. Preservation of Causes of Action.

In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article VIII of the Plan, each Reorganized Debtor, as applicable, shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action of the Debtors, whether arising before or after the Petition Date, including any actions specifically enumerated on the Schedule of Retained Causes of Action, and the Reorganized Debtors' rights to commence, prosecute, or settle such retained Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date or any other provision of the Plan to the contrary, other than the Causes of Action released by the Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII thereof, which shall be deemed released and waived by the Debtors and the Reorganized Debtors as of the Effective Date. For the avoidance of doubt, any and all Causes of Action against the Excluded Parties are preserved.

The Reorganized Debtors may pursue such retained Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors. **No Person or Entity (other than the DIP Lenders, the Bridge Lenders, the Term Loan Lenders, the ABL Lenders, the Agents, and the members of the Ad Hoc Group) may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Causes of Action against it as any indication that the Debtors or the Reorganized Debtors, as applicable, will not pursue any and all available retained Causes of Action of the Debtors against it. Except as specifically released under the Plan or pursuant to a Final Order, the Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all retained Causes of Action against any Entity, except (1) as otherwise expressly provided in the Plan, including Article VIII thereof or (2) the DIP Lenders, the Bridge Lenders, the Term Loan Lenders, the ABL Lenders, the Agents, and the members of the Ad Hoc Group. Unless otherwise agreed upon in writing by the parties to the applicable retained Causes of Action, all objections to the Schedule of Retained Causes of Action must be Filed with the Bankruptcy Court on or before thirty (30) days after the Effective Date. Any such objection that is not timely Filed shall be disallowed and forever barred, estopped, and enjoined from assertion against any Reorganized Debtor, without the need for any objection or responsive pleading by the Reorganized Debtors or any other party in interest or any further notice to or action, order, or approval of the Bankruptcy Court.** The Reorganized Debtors may settle any such objection without any further notice to or action, order, or approval of the Bankruptcy Court. If there is any dispute regarding the inclusion of any Causes of Action on the Schedule of Retained Causes of Action that remains unresolved by the Debtors or Reorganized Debtors, as applicable, and the objecting party for thirty (30) days, such objection shall be resolved by the Bankruptcy Court. Unless any Causes of Action of the Debtors against an Entity (other than the DIP Lenders, the Bridge Lenders, the Term Loan Lenders, the ABL Lenders, the Agents, and the members of the Ad Hoc Group) are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Final Order (and for the avoidance of doubt, any Causes of Action on the Schedule of Retained Causes of Action shall not be expressly relinquished, exculpated, released, compromised, or settled in the Plan), the Reorganized Debtors

expressly reserve all retained Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such retained Causes of Action upon, after, or as a consequence of Confirmation or Consummation.

The Reorganized Debtors reserve and shall retain such retained Causes of Action of the Debtors notwithstanding the rejection or repudiation of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan and, with respect to any counterclaims or crossclaims held by the Debtors, notwithstanding the discharge of the underlying Claim or related Claims against the Debtors or their Related Parties. In accordance with section 1123(b)(3) of the Bankruptcy Code, and except as expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or pursuant to a Final Order, any retained Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors, except (1) as otherwise expressly provided in the Plan, including Article VIII thereof or (2) such Causes of Action that are against the DIP Lenders, the Bridge Lenders, the Term Loan Lenders, the ABL Lenders, the Agents, and the members of the Ad Hoc Group. The applicable Reorganized Debtors, through their authorized agents or representatives, shall retain and may exclusively enforce any and all such retained Causes of Action. The Reorganized Debtors shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such retained Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

18. Private Company.

The Reorganized Debtors shall (1) continue as and emerge from these Chapter 11 Cases as a private company on the Effective Date and the New Interests shall not be listed on a national Securities exchange, (2) not be voluntarily subject to any reporting or registration requirements promulgated by the SEC, and (3) not be required to list the New Interests on a recognized national Securities exchange.

19. Timing and Calculation of Amounts to be Distributed.

(a) Delivery of Distributions and Undeliverable or Unclaimed Distributions.

(1) Record Date for Distribution.

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. If a Claim is transferred [twenty (20)] or fewer days before the Distribution Record Date the Distribution Agent shall make distributions to the transferee only to the extent practical and, in any event, only if the relevant transfer form contains an unconditional and explicit certification and waiver of any objection to the transfer by the transferor.

(2) Delivery of Distributions in General.

Except as otherwise provided in the Plan, the Distribution Agent shall make distributions to Holders of Allowed Claims and Allowed Interests (as applicable) as of the Distribution Record Date, or if applicable, to such Holder's designee (to the extent prohibited under applicable Securities Laws), as appropriate (a) at the address for each such Holder as indicated on the Debtors' records as of the Distribution Record Date (or of a designee designated by the applicable Holder); (b) to the signatory set forth on any Proof of Claim

or Proof of Interest Filed by such Holder or other representative identified therein (or at the last known addresses of such Holder if no Proof of Claim or Proof of Interest is Filed or if the Debtors have not been notified in writing of a change of address); (c) at the addresses set forth in any written notices of address changes delivered to the Reorganized Debtors or the applicable Distribution Agent, as appropriate, after the date of any related Proof of Claim or Proof of Interest; or (d) on any counsel that has appeared in the Chapter 11 Cases on the Holder's behalf; provided that the manner of such distributions shall be determined at the discretion of the Reorganized Debtors.

(3) Minimum Distributions.

In the discretion of the Reorganized Debtors, (a) no Cash payments of less than \$250 and (b) no distribution and issuance of New Interests on the Distribution Date comprising less than \$250 in value (as determined in good faith by the Reorganized Debtors) shall be made, in each case, to a Holder of an Allowed Claim or Allowed Interest (taken together, as a whole, with such Holder's Affiliates for the purposes of the foregoing calculations) on account of such Allowed Claim or Allowed Interest.

No fractional shares of New Interests (or equivalent units of other interests) shall be distributed, and no Cash shall be distributed in lieu of such fractional amounts. When any distribution pursuant to the Plan on account of an Allowed Claim or Allowed Interest (as applicable) would otherwise result in the issuance of a number of shares of New Interests that is not a whole number, the actual distribution of shares (or equivalent units of other interests) of New Interests shall be rounded to the next lower whole number with no further payment therefor. Prior to the Distribution Date, a Holder of an Allowed Claim may affirmatively reject the receipt of a distribution of New Interests in writing to the Reorganized Debtors or the Distribution Agent (email being sufficient). The total number of authorized shares (or equivalent units of other interests) of New Interests to be distributed to Holders of Allowed Claims hereunder shall be adjusted as necessary to account for the foregoing rounding or any affirmative rejection of a New Interest prior to the Distribution Date by a Holder of an Allowed Claim.

(4) Undeliverable Distributions and Unclaimed Property.

In the event that any distribution to any Holder of Allowed Claims or Allowed Interests (as applicable) 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 or other necessary information for delivery, at which time such distribution shall be made to such Holder on the next Distribution Date without interest. Undeliverable distributions shall remain in the possession of the Reorganized Debtors until such time as a distribution becomes deliverable, or such distribution reverts to the Reorganized Debtors or is canceled pursuant to Article VI.D.4 of the Plan, and shall not be supplemented with any interest, dividends, or other accruals of any kind; provided that any distribution under the Plan that is an Unclaimed Distribution or remains undeliverable for a period of one hundred and eighty (180) calendar days after distribution shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code. After such date, all unclaimed property or interests in property shall revert in the Reorganized Debtors automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal, provincial, or state escheatment, abandonment, or unclaimed property Laws to the contrary), and the Claim of any Holder of Claims and Interests to such property or Interest in property shall be discharged and forever barred. Upon such reversion, the Claim (other than any Reinstated Claims) of the Holder or its successors with respect to such property shall be canceled, released, discharged, and forever barred notwithstanding any applicable federal or state escheatment, abandonment, or unclaimed property Laws, or any provisions in any document governing the distribution that is an Unclaimed Distribution, to the contrary. To the extent that such Unclaimed Distribution is comprised of New Interests, such New Interests may be canceled at the discretion of the Reorganized Debtors, and the Distribution Agent shall adjust the distributions of New Interests to reflect any such cancellation.

(5) Surrender of Canceled Instruments or Securities.

On the Effective Date or as soon as reasonably practicable thereafter, each Holder (and the applicable agents for such Holder) of a book-entry interest, certificate, or instrument evidencing a Claim or an Interest that has been canceled in accordance with Article IV.G of the Plan shall be deemed to have surrendered such book-entry interest, certificate, or instrument to the Distribution Agent. Such surrendered book-entry interest, certificate, or instrument shall be canceled solely with respect to the Debtors, and any Non-Debtors, and such cancellation shall not alter the obligations or rights of any non-Debtor third parties (other than the Non-Debtors) vis-à-vis one another with respect to such book-entry interest, certificate, or instrument, including with respect to any indenture or agreement that governs the rights of the Holder of a Claim or Interest, which shall continue in effect for the purposes of allowing Holders to receive distributions under the Plan, charging Liens, priority of payment, and indemnification rights. Notwithstanding anything to the contrary herein, this paragraph shall not apply to book-entry interest, certificates, or instruments evidencing Claims that are Unimpaired under the Plan.

(b) Manner of Payment.

Except as otherwise set forth in the Plan, the Plan Supplement, or any agreement, instrument, or document incorporated in the Plan or the Plan Supplement, all distributions of Cash and the New Interests to the Holders of the applicable Allowed Claims under the Plan shall be made by the Distribution Agent on behalf of the Debtors or Reorganized Debtors, as applicable. At the option of the Distribution Agent, any Cash payment to be made hereunder may be made by check or wire transfer or as otherwise required or provided in applicable agreements.

B. Treatment of Executory Contracts and Unexpired Leases.

1. Assumption and Rejection of Executory Contracts and Unexpired Leases.

On the Effective Date, except as otherwise provided in Article V.A of the Plan and elsewhere in the Plan, all Executory Contracts or Unexpired Leases that are not otherwise rejected will be deemed assumed by the applicable Reorganized Debtor in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those that: (1) are identified on the Rejected Executory Contracts and Unexpired Leases Schedule; (2) previously expired or terminated pursuant to their own terms; (3) have been previously assumed or rejected by the Debtors pursuant to a Final Order; (4) are the subject of a motion to reject that is pending on the Effective Date; or (5) have an ordered or requested effective date of rejection that is after the Effective Date or (6) are Executory Contracts or Unexpired Leases with the Sponsor.

Entry of the Confirmation Order shall constitute an order of the Bankruptcy Court approving the assumptions, assumptions and assignments, or rejections of the Executory Contracts or Unexpired Leases as set forth in the Plan or the Rejected Executory Contracts and Unexpired Leases Schedule, as applicable, pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Except as otherwise specifically set forth in the Plan, assumptions or rejections of Executory Contracts and Unexpired Leases pursuant to the Plan are effective as of the Effective Date. Each Executory Contract or Unexpired Lease assumed pursuant to the Plan or by Bankruptcy Court order but not assigned to a third party before the Effective Date shall re-vest in, and be fully enforceable by, the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may have been modified by the provisions of the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption. Any motions to assume Executory Contracts or Unexpired Leases pending on the Effective Date shall be subject to approval by a Final Order on or after the Effective Date but may be withdrawn, settled, or otherwise prosecuted by the Reorganized Debtors.

To the maximum extent permitted by Law, to the extent any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assumption and assignment of such Executory Contract or Unexpired Lease (including any “change of control” provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Notwithstanding anything to the contrary in the Plan, the Debtors or the Reorganized Debtors, as applicable, reserve the right to alter, amend, modify, or supplement the Rejected Executory Contracts and Unexpired Leases Schedule at any time up to forty-five (45) days after the Effective Date.

To the extent any provision of the Bankruptcy Code or the Bankruptcy Rules requires the Debtors to assume or reject an Executory Contract or Unexpired Lease, such requirement shall be satisfied if the Debtors make an election to assume or reject such Executory Contract or Unexpired Lease prior to the deadline set forth by the Bankruptcy Code or the Bankruptcy Rules, as applicable, regardless of whether or not the Bankruptcy Court has actually ruled on such proposed assumption or rejection prior to such deadline.

If certain, but not all, of a contract counterparty’s Executory Contracts or Unexpired Leases are assumed pursuant to the Plan, the Confirmation Order shall be a determination that such counterparty’s Executory Contracts or Unexpired Leases that are being rejected pursuant to the Plan are severable agreements that are not integrated with those Executory Contracts and/or Unexpired Leases that are being assumed pursuant to the Plan. Parties seeking to contest this finding with respect to their Executory Contracts and/or Unexpired Leases must File a timely objection to the Plan on the grounds that their agreements are integrated and not severable, and any such dispute shall be resolved by the Bankruptcy Court at the Confirmation Hearing (to the extent not resolved by the parties prior to the Confirmation Hearing).

2. Claims Based on Rejection of Executory Contracts or Unexpired Leases.

Unless otherwise provided by the Plan or a Final Order of the Bankruptcy Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to the Plan or the Confirmation Order, if any, must be Filed with the Bankruptcy Court within thirty (30) days after the later of (1) the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection, (2) the effective date of such rejection, and (3) the Effective Date. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease that are (1) with a Sponsor Entity or (2) not Filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Debtors or the Reorganized Debtors, their Estates, or their property without the need for any objection by the Reorganized Debtors or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Proof of Claim to the contrary.** Unless otherwise provided for herein, all Allowed Claims arising from the rejection of the Debtors’ Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims and shall be treated in accordance with Article III.B.5 of the Plan, as applicable.

3. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.

Unless otherwise agreed upon in writing by the parties to the applicable Executory Contract or Unexpired Lease, all requests for payment of Cure costs that differ from the amounts paid or proposed to

be paid by the Debtors or the Reorganized Debtors to a counterparty must be filed with the Claims and Noticing Agent on or before fourteen (14) days after the service of the Schedule of Proposed Cure Amounts. Any objection will be scheduled to be heard by the Bankruptcy Court at the Confirmation Hearing or at the Debtors' or Reorganized Debtors', as applicable, first scheduled omnibus hearing for which such objection is timely Filed. Any such request that is not timely Filed shall be disallowed and forever barred, estopped, and enjoined from assertion, and shall not be enforceable against any Debtor or Reorganized Debtor, without the need for any objection by the Debtors or Reorganized Debtors or any other party in interest or any further notice to or action, order, or approval of the Bankruptcy Court. Any Cure costs shall be deemed fully satisfied, released, and discharged upon payment by the Debtors or the Reorganized Debtors of the applicable Cure costs; *provided, however*, that nothing herein shall prevent the Reorganized Debtors from paying any Cure costs despite the failure of the relevant counterparty to File such request for payment of such Cure costs. The Reorganized Debtors also may settle any disputes related to Cure costs without any further notice to or action, order, or approval of the Bankruptcy Court.

If there is any dispute regarding any Cure costs, the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" within the meaning of section 365 of the Bankruptcy Code, or any other matter pertaining to assumption, then payment of any Cure costs shall occur as soon as reasonably practicable (a) after entry of a Final Order resolving such dispute, approving such assumption (and, if applicable, assignment), or (b) as may be agreed upon by the Debtors or the Reorganized Debtors, as applicable, and the counterparty to the Executory Contract or Unexpired Lease. Any Cure shall be deemed fully satisfied, released, and discharged upon payment of the Cure costs.

The Debtors or the Reorganized Debtors, as applicable, with the consent of the Required DIP Term Loan Lenders, reserve the right at any time to move to reject any Executory Contract or Unexpired Lease based upon the existence of any such unresolved dispute. If the Bankruptcy Court determines that the Allowed Cure cost with respect to any Executory Contract or Unexpired Lease is greater than the amount set forth on the Schedule of Proposed Cure Amounts, the Debtors shall have the right to add such Executory Contract or Unexpired Lease to the Rejected Executory Contracts and Unexpired Leases Schedule, in which case such Executory Contract or Unexpired Lease will be deemed rejected as of the Effective Date or such earlier date specified in the Rejected Executory Contracts and Unexpired Leases Schedule subject to the applicable counterparty's right to object to such rejection.

Any counterparty to an Executory Contract or an Unexpired Lease that fails to object timely to the proposed assumption and/or Cure amount (including any request for an additional or different Cure amount) will be deemed to have consented to such assumption and/or Cure amount, and any untimely request for an additional or different Cure amount shall be disallowed and forever barred, estopped, and enjoined from assertion, and shall not be enforceable against any Reorganized Debtor, without the need for any objection by the Reorganized Debtors or any other party in interest or any further notice to or action, order, or approval of the Bankruptcy Court.

The assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Cures, Claims, or defaults, whether monetary or nonmonetary defaults, including defaults of provisions restricting the change in control or ownership interest composition or any bankruptcy-related defaults, arising at any time prior to the effective date of assumption. **Any and all Proofs of Claim based upon Executory Contracts or Unexpired Leases that have been assumed in the Chapter 11 Cases, including pursuant to the Confirmation Order, shall be deemed disallowed and expunged as of the later of (1) the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such assumption, (2) the effective date of such assumption, or (3) the Effective Date without the need for any objection thereto or any further notice to or action, order, or approval of the Bankruptcy Court.**

4. Preexisting Obligations to the Debtors Under Executory Contracts and Unexpired Leases.

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of preexisting obligations owed to the Debtors or the Reorganized Debtors, as applicable, under such Executory Contracts or Unexpired Leases. In particular, notwithstanding any applicable non-bankruptcy Law to the contrary, the Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations with respect to goods previously purchased by the Debtors pursuant to rejected Executory Contracts or Unexpired Leases.

5. Insurance Policies.

Each of the Debtors' insurance policies and any agreements, documents, or instruments relating thereto, shall be treated as Executory Contracts hereunder. Unless otherwise provided in the Plan (including in the Rejected Executory Contracts and Unexpired Leases Schedule), on the Effective Date, (1) the Debtors shall be deemed to have assumed all insurance policies and any agreements, documents, and instruments relating to coverage of all insured Claims, including all D&O Liability Insurance Policies, and (2) such insurance policies and any agreements, documents, or instruments relating thereto shall revest in the Reorganized Debtors.

6. Modifications, Amendments, Supplements, Restatements, or Other Agreements.

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements have been previously rejected or repudiated or are rejected or repudiated under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease or the validity, priority, or amount of any Claims that may arise in connection therewith.

7. Reservation of Rights.

Nothing contained in the Plan or the Plan Supplement shall constitute an admission by the Debtors or any other party that any contract or lease is in fact an Executory Contract or Unexpired Lease or that any 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 or rejection, the Debtors or the Reorganized Debtors, as applicable, shall have forty-five (45) days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

8. Nonoccurrence of Effective Date.

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

9. Employee Compensation and Benefits.

(a) Compensation and Benefits Programs.

Subject to the provisions of the Plan, all Compensation and Benefits Programs shall be treated as Executory Contracts under the Plan and shall be assumed, modified, or rejected as determined by the Debtors with the consent of the Required DIP Term Loan Lenders and pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code, except for: (a) all Compensation and Benefits Programs with the Sponsor, which shall be rejected; (b) all employee equity or equity-based incentive plans, and any provisions set forth in the Compensation and Benefits Programs that provide for rights to acquire Interests in any of the Debtors, which shall not constitute or be deemed to constitute Executory Contracts and shall be deemed terminated on the Effective Date; (c) Compensation and Benefits Programs that, as of the entry of the Confirmation Order, have been specifically waived by the applicable beneficiaries; and (d) any employment agreements that are not included on the Rejected Executory Contracts and Unexpired Leases Schedule on or before September 30, 2025, which shall be assumed.

A counterparty to a Compensation and Benefits Program assumed pursuant to the Plan shall have the same rights under such Compensation and Benefits Program as such counterparty had thereunder immediately prior to such assumption (unless otherwise agreed to by such counterparty and the applicable Reorganized Debtor(s)); *provided, however*, that any assumption of Compensation and Benefits Programs pursuant to the Plan or any of the Restructuring Transactions shall not trigger or be deemed to trigger any change of control, immediate vesting, termination, or similar provisions therein.

Any assumption of Compensation and Benefits Programs pursuant to the terms of the Plan and the Restructuring Transactions and related matters contemplated by the Plan shall be deemed not to trigger (i) any applicable change of control, immediate vesting, termination (similar provisions therein) or (ii) an event of “Good Reason” (or a term of like import), in each case as a result of the Consummation of the Restructuring Transactions. A counterparty to a Compensation and Benefits Program assumed pursuant to the Plan shall have the same rights under such Compensation and Benefits Program as such counterparty had thereunder immediately prior to such assumption (unless otherwise agreed to by such counterparty and the applicable Reorganized Debtor(s)).

(b) Workers’ Compensation Programs.

As of the Effective Date, the Debtors and the Reorganized Debtors shall continue to honor their obligations under: (a) all applicable workers’ compensation Laws in jurisdictions in which the Reorganized Debtors operate; and (b) the Debtors’ written contracts, agreements, agreements of indemnity, self-insured workers’ compensation bonds, policies, programs, and plans for workers’ compensation and workers’ compensation insurance. All Proofs of Claim on account of workers’ compensation shall be deemed withdrawn automatically and without any further notice to or action, order, or approval of the Bankruptcy Court; *provided* that nothing in the Plan shall limit, diminish, or otherwise alter the Debtors’ or Reorganized Debtors’ defenses, Causes of Action, or other rights under applicable Law, including non-bankruptcy Law with respect to any such contracts, agreements, policies, programs, and plans; *provided, further*, that nothing herein shall be deemed to impose any obligations on the Debtors in addition to what is provided for under applicable state Law.

C. Disputed Claims Process.

If the Debtors with the reasonable consent of the Required DIP Term Loan Lenders or the Reorganized Debtors, as applicable, dispute any Proof of Claim that is Filed on account of an Unimpaired Claim, such dispute shall be determined, resolved, or adjudicated, as the case may be, in the Bankruptcy

Court. For the avoidance of doubt, Holders of Disputed Other Secured Claims may take no action to liquidate, repossess, or foreclose or otherwise collect upon such Claim(s) other than adjudication in the Bankruptcy Court (unless otherwise consensually resolved between the Debtors or Reorganized Debtors, as applicable, and such Holder, and any such consensual resolution shall not require any further notice to or action, order, or approval of the Bankruptcy Court) until such time as the relevant Other Secured Claim is Allowed.

If the Debtors with the reasonable consent of the Required DIP Term Loan Lenders or the Reorganized Debtors, as applicable, dispute any Impaired Claim that is not Allowed as of the Effective Date pursuant to Article III.B of the Plan or a Final Order entered by the Bankruptcy Court (which may include the Confirmation Order), the Debtors or Reorganized Debtors, as applicable, shall File an objection with, and the dispute shall be determined, resolved, or adjudicated before, the Bankruptcy Court.

D. Settlement, Release, Injunction, and Related Provisions.

The Plan provides the following settlement, release, injunction, and related provisions.

["Released Parties"]¹¹ means, collectively, and in each case in its capacity as such: (a) each of the Debtors; (b) each of the Reorganized Debtors; (c) each of the DIP ABL Lenders; (d) each of the ABL Lenders; (e) each member of the Ad Hoc Group (including in their capacity as DIP Term Loan Lenders, Bridge Lenders, Term Loan Lenders, Debt Backstop Parties, and Equity Backstop Parties, as applicable); (f) each of the Releasing Parties that is not an Excluded Party; (g) each of the Agents; (h) each current and former Affiliate of each Entity in clause (a) through the following clause (i); and (i) each Related Party of each Entity in clause (a) through this clause (i); *provided* that, in each case, an Entity shall not be a Released Party if it: (i) elects to opt out of the releases contained in Article VIII.D of the Plan; (ii) timely objects to the releases contained in Article VIII.D of the Plan and such objection is not resolved before Confirmation; or (iii) is an Excluded Party.]¹²

"Releasing Parties" means, collectively, and in each case in its capacity as such: (a) each of the Debtors; (b) each of the Reorganized Debtors; (c) each of the DIP ABL Lenders; (d) each of the ABL Lenders; (e) each member of the Ad Hoc Group (including in their capacity as DIP Term Loan Lenders, Bridge Lenders, Term Loan Lenders, Debt Backstop Parties, and Equity Backstop Parties, as applicable); (f) each of the Agents; (g) all Holders of Claims that vote to accept the Plan; (h) all Holders of Claims who are deemed to accept the Plan; (i) all Holders of Claims who abstain from voting on the Plan; (j) all Holders of Claims or Interests who vote to reject the Plan or are deemed to reject the Plan; (k) to the maximum extent permitted by Law, each current and former Affiliate of each Entity in clause (a) through the following clause (l); and (l) to the maximum extent permitted by Law, each Related Party of each Entity in clause (a) through this clause (l); *provided* that, in each case, an Entity in clause (h) through clause (l) shall not be a Releasing Party if it: (i) affirmatively elects to opt out of the releases contained in Article VIII.D of the Plan by checking the box on the applicable ballot or notice of non-voting status indicating that they opt not to grant the releases provided for in the Plan; or (ii) timely objects to the releases contained in Article VIII.D of the Plan and such objection is not resolved before Confirmation.

"Exculpated Parties" means, collectively, and in each case in its capacity as such: (a) each of the Debtors; (b) each of the Reorganized Debtors; and (c) each of the Disinterested Directors of the Debtors.

¹¹ The parties to be "Released Parties" remains subject to ongoing review.

¹² Subject to the Independent Investigation.

“Related Party” means, collectively, with respect to any Person or Entity, each of, and in each case in its capacity as such, such Person’s or Entity’s current and former directors, managers, officers, committee members, members of any governing body, equityholders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, managed accounts or funds, predecessors, participants, successors, assigns (whether by operation of Law or otherwise), subsidiaries, current, former, and future associated Entities, Affiliates, partners, limited partners, general partners, principals, members, management companies, fund advisors or managers, fiduciaries, trustees, employees, agents, trustees, advisory board members, financial advisors, attorneys (including any other attorneys or professionals retained by any current or former director or manager in his or her capacity as director or manager of an Entity), accountants, investment bankers, consultants, representatives, and other professionals and advisors and any such Person’s or Entity’s respective heirs, executors, estates, and nominees. Notwithstanding anything to the contrary in the Plan, no Excluded Party shall constitute a Related Party under the Plan.

1. Discharge of Claims and Termination of Interests.

Pursuant to section 1141(d) of the Bankruptcy Code and except as otherwise specifically provided in the Plan, the Confirmation Order, or in any contract, instrument, or other agreement or document created or entered into pursuant to the Plan or the Plan Supplement, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims that the Reorganized Debtors resolve or compromise after the Effective Date), 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, Liens on, obligations of, rights against, and Interests in the Debtors or any of their 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 that employees of the Debtors have performed 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 (1) a Proof of Claim based upon such debt or right is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code, or (3) the Holder of such a Claim or Interest has accepted the Plan. Any default by the Debtors or the Non-Debtor Subsidiaries with respect to any Claim or Interest immediately prior to or on account of Filing the Chapter 11 Cases shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims (other than any Reinstated Claims) and Interests (other than any Intercompany Interests that are Reinstated) subject to the occurrence of the Effective Date.

2. Release of Liens.

Except as otherwise expressly provided in the Exit ABL Facility Documents, the Exit Holdco Loan Documents, the Plan or the Confirmation Order or in any contract, instrument, release, or other agreement or document amended or created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim or any related Claim that may be asserted against a Non-Debtor Subsidiary, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, except for the Other Secured Claims that the Debtors elect to Reinstate in accordance with the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates or any Non-Debtor Subsidiary shall be fully released and discharged, and all of the right, title, benefit, and interest of any Holder (and the applicable Agents of such Holder) of such mortgages, deeds of trust,

Liens, pledges, or other security interests shall revert and, as applicable, be reassigned, surrendered, reconveyed, or retransferred to the Reorganized Debtors and their successors and assigns. Any Holder of such Secured Claim or Claim against a Non-Debtor Subsidiary (and the applicable Agents for such Holder) shall be authorized and directed, at the sole cost and expense of the Reorganized Debtors, to release any collateral or other property of any Debtor or Non-Debtor Subsidiary (including any Cash Collateral and possessory collateral) held by such Holder (and the applicable Agents for such Holder) and to take such actions as may be reasonably requested by the Reorganized Debtors to evidence the release of such Liens and/or security interests, including the execution, delivery, and filing or recording of such releases. The presentation or filing of the Confirmation Order to or with any federal, state, provincial, or local agency, records office, or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens, mortgages, deeds of trust, pledges, and other security interests.

To the extent that any Holder of a Secured Claim that has been satisfied or discharged in full pursuant to the Plan, or any agent for such Holder, has filed or recorded publicly any Liens and/or security interests to secure such Holder's Secured Claim, then as soon as practicable on or after the Effective Date, such Holder (or the agent for such Holder) shall take any and all steps requested by the Debtors or the Reorganized Debtors that are necessary or desirable to record or effectuate the cancellation and/or extinguishment of such Liens and/or security interests, including the making of any applicable filings or recordings, and the Reorganized Debtors shall be entitled to make any such filings or recordings on such Holder's behalf.

3. [Releases by the Debtors.

Except as expressly set forth in the Plan to the contrary, pursuant to section 1123(b) of the Bankruptcy Code, effective on the Effective Date, in exchange for good and valuable consideration, including the obligations of the Debtors under the Plan and the contributions and services of the Released Parties in facilitating the implementation of the Restructuring Transactions, the adequacy of which is hereby confirmed, each Released Party is hereby conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by each and all of the Debtors, the Reorganized Debtors, and their Estates, in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any Causes of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, from any and all Claims and Causes of Action, whether known or unknown, including any Avoidance Actions and derivative Claims, asserted or assertable on behalf of any of the Debtors, the Reorganized Debtors, or their Estates, whether liquidated or unliquidated, fixed, or contingent, matured, or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or herein-after arising, whether in Law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common Law, or any other applicable international, foreign, or domestic Law, rule, statute, regulation, treaty, right, duty, requirement, or otherwise that such Holders or their Estates, Affiliates, heirs, executors, administrators, successors, assigns, and managers 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, the Debtors, the Reorganized Debtors, or their Estates, or any other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Reorganized Debtors, or their Estates (including the management, ownership, or operation thereof), the purchase, sale, or rescission of any Security of the Debtors, the Reorganized Debtors, or their Estates, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, any Securities issued by the Debtors' and the ownership thereof, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the DIP Term Loan Facility, the DIP ABL Facility, the ABL Facility, the Bridge

Facility, the Term Loan Facility, the Exit ABL Facility, the Exit Holdco Loan Facility, the Equity Rights Offering, the Debt Rights Offering, the Management Incentive Plan, the Asset Financing Agreements, the Definitive Documents (including the Plan Supplement), or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the Definitive Documents, the DIP Term Loan Facility, the DIP ABL Facility, the ABL Facility, the Bridge Facility, the Term Loan Facility, the Exit ABL Facility, the Exit Holdco Loan Facility, the Equity Rights Offering, the Debt Rights Offering, the Management Incentive Plan, the Asset Financing Agreements, or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other act, or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date.

Notwithstanding anything to the contrary in the foregoing, the releases set forth in Article VIII.C of the Plan do not release (1) any Causes of Action identified on the Schedule of Retained Causes of Action (2) any post-Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Restructuring Transactions, or any document, instrument, or agreement (including those in the Plan Supplement) executed to implement the Plan or any Claim or obligation arising under the Plan, (3) any Claims or Causes of Action against the Excluded Parties, or (4) any Avoidance Actions against the Holders of General Unsecured Claims that are not Holders of Term Loan Deficiency Claims; *provided, however*, that any Avoidance Actions, Claims, and Causes of Action that are determined to be released by the Special Committee and with the consent of the Required DIP Term Loan Lenders shall be released pursuant to Article VIII.C of the Plan.¹³

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that the Debtor release is: (1) in exchange for the good and valuable consideration provided by the Released Parties; (2) a good faith settlement and compromise of the Claims or Causes of Action released by the Debtor release; (3) in the best interests of the Debtors, the Estates, and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after reasonable investigation by the Debtors and after notice and opportunity for hearing; and (6) a bar to any of the Debtors, the Reorganized Debtors, or the Estates asserting any Claim or Cause of Action released by the Debtor release against any of the Released Parties.¹⁴

4. Releases by the Releasing Parties.

Except as expressly set forth in the Plan to the contrary, pursuant to section 1123(b) of the Bankruptcy Code, effective on the Effective Date, in exchange for good and valuable consideration, including the obligations of the Debtors under the Plan and the contributions and services of the Released Parties in facilitating the implementation of the Restructuring Transactions, the adequacy of which is hereby confirmed, each Released Party is hereby deemed released and discharged by each and all of the Releasing Parties (other than the Debtors and the Reorganized Debtors), in each case on behalf of themselves and their respective successors, assigns, and representatives and any and all

¹³ The inclusion of any Claims resulting from a determination of actual fraud, willful misconduct, or gross negligence are subject ongoing discussion between the Debtors and the Ad Hoc Group and the parties do not agree regarding the inclusion of the foregoing.

¹⁴ The releases contained in the Plan remain subject to the outcome of the Independent Investigation.

other Entities who may purport to assert any Causes of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, from any and all Claims and Causes of Action, whether known or unknown, including any Avoidance Actions and derivative Claims, asserted or assertable on behalf of any of the Debtors, the Reorganized Debtors, or their Estates, whether liquidated or unliquidated, fixed, or contingent, matured, or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or hereinafter arising, whether in Law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common Law, or any other applicable international, foreign, or domestic Law, rule, statute, regulation, treaty, right, duty, requirement, or otherwise that such Holders or their Estates, Affiliates, heirs, executors, administrators, successors, assigns, and managers 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, the Debtors, the Reorganized Debtors, or their Estates, or any other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Reorganized Debtors, or their Estates (including the management, ownership, or operation thereof), the purchase, sale, or rescission of any Security of the Debtors, the Reorganized Debtors, or their Estates, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, any Securities issued by the Debtors' and the ownership thereof, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the DIP Term Loan Facility, the DIP ABL Facility, the ABL Facility, the Bridge Facility, the Term Loan Facility, the Exit ABL Facility, the Exit Holdco Loan Facility, the Equity Rights Offering, the Debt Rights Offering, the Management Incentive Plan, the Asset Financing Agreements, the Definitive Documents (including the Plan Supplement), or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the Definitive Documents, the DIP Term Loan Facility, the DIP ABL Facility, the ABL Facility, the Bridge Facility, the Term Loan Facility, the Exit ABL Facility, the Exit Holdco Loan Facility, the Equity Rights Offering, the Debt Rights Offering, the Management Incentive Plan, the Asset Financing Agreements, or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date; *provided, however*, that notwithstanding anything herein to the contrary, nothing in the Plan shall affect, limit, or release in any way any performance obligations of any party or Entity under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan and nothing in the Plan shall affect, limit, or release in any way any performance obligations of any party or Entity under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement and those Claims left Unimpaired by Article III of the Plan) executed to implement the Plan.

Notwithstanding anything to the contrary in the foregoing, the releases set forth in Article VIIID of the Plan do not release (1) any Claims or Causes of Action against the Excluded Parties, or (2) any Avoidance Actions against Holders of General Unsecured Claims that are not Holders of Term Loan Deficiency Claims; *provided, however*, that any Avoidance Actions, Claims, and Causes of Action that are determined to be released by the Special Committee and with the

consent of the Required DIP Term Loan Lenders shall be released pursuant to Article VIII.D of the Plan.¹⁵

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the third-party release, which includes by reference each of the related provisions and definitions contained in the Plan, and, further, shall constitute the Bankruptcy Court's finding that the third-party release is: (1) consensual; (2) essential to Confirmation; (3) given in exchange for good and valuable consideration provided by the Released Parties, including, without limitation, the Released Parties' contributions to facilitating the restructuring and implementing the Plan; (4) a good faith settlement and compromise of the Claims or Causes of Action released by the third-party release; (5) in the best interests of the Debtors and their Estates; (6) fair, equitable, and reasonable; (7) given and made after due notice and opportunity for hearing; and (8) a bar to any of the Releasing Parties asserting any Claim or Cause of Action released pursuant to the third-party release.

5. Exculpation.

Notwithstanding anything contained in the Plan, to the fullest extent permissible under applicable Law and without limiting the releases contained in Article VIII of the Plan, effective as of the Effective Date, no Exculpated Party shall have or incur liability for, and each Exculpated Party is released and exculpated from any Claim or Cause of Action related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases prior to the Effective Date, including, the formulation, preparation, dissemination, negotiation, or Filing of the Disclosure Statement, the Plan, or any Restructuring Transaction, contract, instrument, release or other agreement or document created or entered into in connection with the Disclosure Statement or the Plan, the Plan Supplement, the Filing of the Chapter 11 Cases, the Restructuring Transactions, the DIP Term Loan Facility, the DIP ABL Facility, the ABL Facility, the Bridge Facility, the Term Loan Facility, the Exit ABL Facility, the Exit Holdco Loan Facility, the Equity Rights Offering, the Debt Rights Offering, the Management Incentive Plan, the Asset Financing Agreements, any other Definitive Document (including the Plan Supplement), or any other agreement, contract, instrument, release, or document (including any legal opinion requested by any Entity regarding any other agreement, transaction, contract, instrument, release, or document contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) relating to any of the foregoing, created or entered into in connection with the Restructuring Transactions, the Disclosure Statement, the Plan, the Plan Supplement, before or during the Chapter 11 Cases, any preference, fraudulent transfer, or other avoidance Claim arising pursuant to chapter 5 of the Bankruptcy Code or other applicable law, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date.

The Exculpated Parties have, and upon Confirmation shall be deemed to have, participated in good faith and in compliance with the applicable Laws with regard to the solicitation of votes and distribution of consideration pursuant to the Plan, and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable Law, rule, or regulation

¹⁵ The inclusion of any Claims resulting from a determination of actual fraud, willful misconduct, or gross negligence are subject ongoing discussion between the Debtors and the Ad Hoc Group and the parties do not agree regarding the inclusion of the foregoing.

governing the solicitation of acceptances or rejections of the Plan, or such distributions made pursuant to the Plan, including the issuance of Securities thereunder. The exculpation will be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and other applicable Law or rules protecting such Exculpated Parties from liability. The Exculpated Parties and other parties set forth above have, and upon Confirmation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable Laws with regard to the solicitation of votes and distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable Law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

Notwithstanding anything to the contrary in the foregoing, the exculpation set forth in the Article VIII.E of the Plan does not exculpate (1) any Claims or Causes of Action against the Excluded Parties.¹⁶

Solely with respect to the exculpation provisions in Article VIII of the Plan, notwithstanding anything to the contrary in the Plan, each of the Exculpated Parties shall not incur liability for any Cause of Action or Claim related to any act or omission in connection with, relating to, or arising out of, in whole or in part, (a) the solicitation of acceptance or rejection of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code or (b) the participation, in good faith and in compliance with the applicable provisions of the Bankruptcy Code, in the offer, issuance, sale, or purchase of a security, offered or sold under the Plan.

6. Injunction.

Except as otherwise expressly provided in the Plan or the Confirmation Order, or for obligations or distributions issued or required to be paid pursuant to the Plan or the Confirmation Order (including the Exit ABL Facility), all Entities who have held, hold, or may hold Released Claims, Interests, or Causes of Action that have been released, discharged, or are subject to exculpation are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Reorganized Debtors, the Exculpated Parties, or the Released Parties: (1) commencing or continuing in any manner any action, suit, or other proceeding of any kind on account of or in connection with or with respect to any such Released Claims, Causes of Action, liabilities, or Interests; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Released Claims, Causes of Action, liabilities, or Interests; (3) creating, perfecting, or enforcing any Lien or encumbrance of any kind against such Entities or the property or the Estates of such Entities on account of or in connection with or with respect to any such Released Claims, Causes of Action, liabilities, or Interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property or the Estates of such Entities on account of or in connection with or with respect to any such Claims or Interests unless such Holder has Filed a motion requesting the right to perform such setoff on or before the Effective Date, and notwithstanding an indication of a Claim or Interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to applicable Law or otherwise; and (5) commencing or continuing in any manner any action or other

¹⁶ The inclusion of any Claims resulting from a determination of actual fraud, willful misconduct, or gross negligence are subject ongoing discussion between the Debtors and the Ad Hoc Group and the parties do not agree regarding the inclusion of the foregoing.

proceeding of any kind on account of or in connection with or with respect to any such Released Claims, Causes of Action, liabilities, or Interests released or settled pursuant to the Plan.

Upon entry of the Confirmation Order, all Holders of Claims and Interests and their respective current and former employees, agents, officers, directors, managers, principals, and direct and indirect Affiliates, in their capacities as such, shall be enjoined from taking any actions to interfere with the implementation or Consummation of the Plan. Each Holder of an Allowed Claim or Allowed Interest, as applicable, by accepting, or being eligible to accept, distributions under or Reinstatement of such Claim or Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in Article VIII.F of the Plan.

No Person or Entity may commence or pursue a Claim or Cause of Action of any kind against the Debtors, the Reorganized Debtors, the Exculpated Parties, or the Released Parties that relates to or is reasonably likely to relate to any act or omission in connection with, relating to, or arising out of a Claim or Cause of Action subject to Article VIII.C, Article VIII.D, Article VIII.E, or Article VIII.F of the Plan, without the Bankruptcy Court (1) first determining, after notice and a hearing, that such Claim or Cause of Action represents a colorable Claim of any kind, and (2) specifically authorizing such Person or Entity to bring such Claim or Cause of Action against any such Debtor, Reorganized Debtor, Exculpated Party, or Released Party. The Bankruptcy Court will have sole and exclusive jurisdiction to adjudicate the underlying colorable Claim or Causes of Action.

For the avoidance of doubt and notwithstanding any other provision of the Plan, in no event are any of the Excluded Parties released, exculpated, or the beneficiary of any injunction, gatekeeper, or any other provision of Article VIII of the Plan.

E. Disallowance of Claims of the Sponsors.

[Any Claims in the Chapter 11 Cases held by any Sponsor (including any General Unsecured Claims related to the rejection of any executory contracts or other agreements that are not vesting in the Reorganized Debtors) shall be canceled, released, and extinguished and will be of no further force or effect,

and the Sponsors shall not receive any distribution, property, or other value under the Plan on account of such Claims . The Plan shall be deemed to be an objection to any Proof of Claim filed by any Sponsor.]]¹⁷

F. Conditions Precedent to Consummation of the Plan.

1. Conditions Precedent to the Confirmation Date.

It shall be a condition to the Confirmation Date that the following conditions shall have been satisfied or waived pursuant to the provision of Article IX.C of the Plan:

- a. The New Equityholders' Term Sheet and the Exit Holdco Credit Term Sheet shall have been (i) Filed on or prior to the voting deadline and (ii) approved by the Required DIP Term Loan Lenders.

2. Conditions Precedent to the Effective Date.

It shall be a condition to the Effective Date that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.C of the Plan.

- a. the Bankruptcy Court shall have entered the Confirmation Order, Filed in a manner consistent in all material respects with the Plan, and such order shall have become a Final Order;
- b. the final version of the Plan Supplement and all of the schedules, documents, and exhibits contained therein, and all other schedules, documents, supplements and exhibits to the Plan shall be consistent with the Plan, the Definitive Documents and otherwise approved pursuant to all applicable consent thresholds;
- c. the Final DIP Order shall be in full force and effect;
- d. (i) the New Equityholders' Term Sheet and the Exit Holdco Loan Term Sheet shall have been (A) Filed on or prior to the voting deadline and (B) approved by Required DIP Term Loan Lenders and (ii) the applicable Definitive Documents shall be in form

¹⁷ The Debtors and the Ad Hoc Group continue to negotiate the terms of and have not agreed on the form of Article III.J of the Plan.

and substance consistent with the New Equityholders' Term Sheet and the Exit Holdco Loan Term Sheet;

- e. the Definitive Documents shall have been executed or deemed executed and delivered by each party thereto, and any conditions precedent related thereto shall have been satisfied or waived by the applicable party or parties;
- f. the Debtors shall have received binding commitments to fund the Exit ABL Facility in an aggregate amount no less than \$[●];
- g. the New Interests shall have been issued (other than any New Interests issuable in connection with the Exit Holdco Loan Conversion (to the extent applicable));
- h. the Equity Rights Offering shall have been fully consummated pursuant to the Rights Offering Procedures;
- i. the Debt Rights Offering shall have been fully consummated pursuant to the Rights Offering Procedures;
- j. the DIP ABL Claims shall have been paid in full in Cash or rolled into the Exit ABL Facility in accordance with Article II.B.1 of the Plan;
- k. the New Organizational Documents shall have been adopted;
- l. all Professional Fee Amounts that require approval of the Bankruptcy Court shall have been paid in full or amounts sufficient to pay such fees and expenses after the Effective Date shall have been placed in the Professional Fee Escrow Account pending the approval of such fees and expenses by the Bankruptcy Court;
- m. all fees, expenses, and other amounts due and payable to the Ad Hoc Group Advisors and the ABL Advisors pursuant to the DIP Orders and the Plan, including, without limitation, the Restructuring Expenses shall have been paid in full;
- n. the Debtors shall have obtained all authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate the Plan and each of the other transactions contemplated by the Plan; and
- o. no court of competent jurisdiction or other competent governmental or regulatory authority shall have issued a final and non-appealable order making illegal or otherwise restricting, preventing, or prohibiting the Consummation of the Restructuring Transactions.

3. Waiver of Conditions.

Except as otherwise specified in the Plan, any one or more of the conditions to Consummation (or component thereof) set forth in Article IX of the Plan may be waived by the Debtors with the consent of the Required DIP Term Loan Lenders, other than (1) Article IX.A.3 and Article IX.B.4 of the Plan which may only be waived with the consent of each member of the Ad Hoc Group Steerco, and (2) Article IX.A.10 of the Plan, which may only be waived with the consent of the DIP ABL Lenders, without notice, leave, or order of the Bankruptcy Court or any formal action other than proceedings to confirm or consummate the Plan.

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

A. Ascend's Corporate History.

Ascend's origins date back nearly eight decades. In 1949 Chemstrand Corporation ("Chemstrand"), a joint venture between Monsanto Chemical Company ("Monsanto") and the American Viscose Corporation, was chartered for the express purpose of developing and manufacturing nylon fibers. In 1953, Chemstrand established in Pensacola, Florida the United States' first fully integrated nylon plant, which was equipped to produce nearly fifty million pounds of nylon per year. In 1961, Monsanto acquired Chemstrand, and Chemstrand became a wholly owned subsidiary of Monsanto, operating as the dedicated chemicals division of the corporation for the following thirty-six years. In 1997, Monsanto spun off its industrial chemical and fibers divisions, including what used to be Chemstrand, as an independent company, Solutia Inc. ("Solutia"). Solutia's business consisted of three business segments, one of which focused on nylon production.

Ascend, as it exists today, was formed when SK Titan Holdings LLC acquired Solutia's nylon business in 2009. Ascend's business continues to focus on the production and sale of PA66 (a type of nylon) and the inputs and outputs thereof, with an emphasis on higher-value-added applications that take advantage of the beneficial qualities of PA66. The Company is headquartered in Houston, Texas and employs approximately 2,200 people worldwide. Ascend has three sales offices in the United States, Belgium, and China, eleven fully integrated global manufacturing facilities located across the United States, Mexico, Europe, and Asia, and numerous research and development technology centers across the globe.

The majority of the Company's domestic and global growth occurred after SK Titan Holdings LLC's acquisition of Ascend, with the expansion of its chemical compounding facilities in Pensacola, Florida in 2013 and the acquisition of an additional compounding facility in Tilburg, Netherlands in 2018. In 2020 and 2021, the Company augmented its manufacturing capabilities through the acquisition of facilities in Suzhou, China, Mozzate, Italy, and Fosses, France. Further, in 2022, the Company acquired a compounding site in San Jose Iturbide, Mexico and purchased Formulated Polymers Limited, an engineered materials producer based in Chennai, India. The Company also acquired Circular Polymers, a carpet recycling facility in California, in 2022. Construction of the Company's first chemical production facility outside of the United States was completed in the third quarter of 2024 in Lianyungang, China.

B. The Company's Operations.

Ascend is one of the largest, fully integrated producers of nylon, a plastic that is used in everyday essentials, like apparel, carpets, and tires, and also new technologies, like electric vehicles and solar energy systems. Ascend's business predominately focuses on the production and sale of a specific type of nylon, nylon 6,6 or "PA66," and the chemical intermediates and downstream outputs thereof. Ascend also produces and sells several of the key chemical inputs of PA66, operating up and down the PA66 value chain.

Ascend's United States' operations are based out of its Decatur, Pensacola, and Chocolate Bayou, Texas facilities, which account for approximately eighty-five percent of Ascend's sales volume and generate approximately eighty percent of revenue on an annual consolidated basis. Ascend's global manufacturing and commercial footprint allows it to provide customers around the world with industry-leading and geographically flexible production capabilities. With world-wide scale throughout the PA66 value-chain, Ascend benefits from location advantage and relatively low logistics costs.

As a fully integrated PA66 player with a presence across the entire PA66 value chain, Ascend participates in both the chemical intermediates and higher-grade downstream segments of the PA66 market:

1. PA66 Chemical Intermediates Market.

The PA66 chemical intermediates market involves the sale, on a standalone basis, of several of the inputs or “intermediate” chemicals that comprise PA66:

- **Hexamethylene Diamine** (“HMD”): more than eighty percent of HMD is consumed in the manufacturing and production of nylon; HMD comprised approximately thirteen percent of Ascend’s total annual revenue in 2024;
- **Adiponitrile** (“ADN”): ADN is exclusively a precursor to HMD; ADN comprised approximately one percent of Ascend’s total annual revenue in 2024;
- **Acrylonitrile** (“AN”): AN is used in a variety of end markets, including oil recovery and industrial water treatment applications, electronic devices, and home furnishings; AN comprised approximately two percent of Ascend’s total annual revenue in 2024;
- **Adipic Acid** (“AA”): AA is predominately used in nylon production; AA comprised approximately eight percent of Ascend’s total annual revenue in 2024;
- **Hydrogen Cyanide** (“HCN”): HCN is extremely toxic and difficult to transport and is used in gold and silver extraction processes; HCN comprised approximately four percent of Ascend’s total annual revenue in 2024; and
- **Acetonitrile** (“ACN”): ACN is used in a variety of end markets, including pharmaceuticals, agricultural chemicals, and laboratory-related applications; Ascend’s capacity to create ACN will become commercially available beginning in 2026.

Ascend purchases, produces, and/or sells all seven of the foregoing chemical intermediates, all of which are used to make other chemicals and materials. Ascend’s chemical intermediates business accounted for approximately thirty-two percent of its revenue in 2024, with HMD sales comprising forty percent of its chemical intermediates revenue.

2. PA66 Downstream Market.

The PA66 downstream market involves the sale of PA66 for applications across several end markets, including: (a) engineered materials markets such as automotive, e-mobility, electrical and electronic, consumer and industrial, cable management, flexible films, and healthcare; (b) sustainable specialties markets such as industrial and institutional cleaners, oil and gas, and coatings and adhesives; and (c) textile markets such as apparel, carpet, and safety systems. Given the varying demands of each of these end markets, the PA66 downstream market is highly segmented between high-value and lower-value applications. Ascend divides its downstream business into two segments: (a) the nylon engineered plastics divisions, which account for approximately twenty-five percent of Ascend’s revenue on an annual basis; and (b) the nylon polymers, fibers and textiles divisions, which account for approximately forty-one percent of Ascend’s revenue on an annual basis.

High-value fibers are generally associated with enhanced performance properties, including tensile strength, impact resistance, and thermal properties. Since such high value fibers offer technical and application-development capabilities, they are commonly used in applications that require product specification and/or co-development. High-value fibers are frequently employed in automotive applications, including for engine covers and airbags, electrical uses like circuit breakers, and athletic

apparel for high-performance athletes. Product differentiation and limited substitutes enable high-value downstream producers to command premium pricing and develop sticky relationships with their customers.

Lower-value fibers are typically used in lower-value, general industrial applications like carpets and industrial filaments that do not command high-value qualities and require less specification. As a result, lower-value application customers prioritize cost and operational optimization over differentiation.

Historically, the PA66 downstream market has been moderately concentrated among players such as Ascend, BASF, Invista, Celanese Corporation of America, and DOMO Chemicals GmbH. Since late 2022, however, the production of PA66 has increased significantly in China, creating an oversaturated and fragmented downstream market. Moreover, several of these new Chinese competitors have adopted aggressive pricing strategies that have placed additional margin pressure on historical players.

Over the last decade, Ascend has transformed its business from a producer of low-value products to a producer of high-value products, with a targeted focus on PA66 end markets and applications with high growth expectations. To effectuate this shift, Ascend has significantly expanded its PA66 “compounding” capabilities, which, as discussed above, involve the alteration of PA66 via chemical additives to provide it with properties better suited for high-value applications. For example, compounded nylon products are stronger and more heat resistant than non-compounded PA66 products.

Ascend is now a leading player in the PA66 high-value downstream market. As noted above, Ascend’s PA66 comprises forty percent of the market for front passenger air bags and high-performance tires globally and is used in over fifty percent of Lululemon Athletica Inc.’s “Nulu” yoga pants and sports bras.

3. Guest Program.

While Ascend predominantly focuses on the PA66 market, Ascend also runs a strategic partnership program out of its Chocolate Bayou, Pensacola, and Decatur facilities whereby nine strategic partners (the “Guests”) utilize the Company’s facilities as part of their manufacturing processes (the “Guest Program”). The Guests contract with the Company to use the Company’s facilities and certain of Ascend’s chemical intermediates, specifically HCN, that would otherwise be discarded. For certain Guest agreements, the Debtors also maintain the Guests’ products and manage certain logistics, including transportation and delivery.

The Guest Program enables Ascend and the Guests to benefit from economies of scale, shared expertise, and integrated production capacities, which ultimately lower prices, reduce costs, and create production efficiencies. The Guest Program is a critical component of Ascend’s operations as it provides a consistent revenue stream, reduced production costs, and operational efficiencies.

C. The Company’s Organizational Structure and Prepetition Capital Structure.

Ascend’s organizational structure consists of thirty-six entities, eleven of which are Debtors in the Chapter 11 Cases. The organizational structure consists of entities incorporated in the United States, the United Kingdom, Mexico, France, Germany, Italy, Belgium, the Netherlands, China, India, Japan, Taiwan, Korea, and Singapore. Ascend’s complete corporate organization chart is attached hereto as **Exhibit B**.

As of the Petition Date, Ascend had over \$2.0 billion in aggregate principal and accrued interest outstanding across its funded debt facilities, approximately \$1.8 billion of which is held by Debtor entities. The following table sets forth the Company’s prepetition capital structure:

Funded Debt	Maturity	Approximate Principal	Approximate Accrued and Unpaid Interest, Premiums, and Other Fees	Approximate Outstanding Amount
ABL Facility	May 28, 2026 ¹⁸	\$346 million	\$2 million	\$348 million
Bridge Facility	March 7, 2026	\$131 million	\$19 million	\$150 million
Term Loan Facility	August 27, 2026	\$1,043 million	\$29 million	\$1,072 million
Total US Debt		\$1,509 million	\$61 million	\$1,570 million
Capital Leases and Sale Leasebacks	Various	\$348 million	\$2 million	\$350 million
Total US Debt and Capital Leases		\$1,857 million	\$63 million	\$1,920 million
China-Related Operations Debt	Various	\$157 million	\$1 million	\$158 million
Total Funded Debt Obligations		\$2,014 million	\$64 million	\$2,078 million

1. ABL Facility.

Before the Petition Date, the Debtors were party to the ABL Facility under that certain Third Amended and Restated Credit Agreement (as amended by that certain Increase Joinder to Third Amended and Restated Credit Agreement, dated as of December 30, 2021, as amended by that certain Third Amendment to Third Amended and Restated Credit Agreement, dated as of October 28, 2022, as amended by that certain Fourth Amendment to Third Amended and Restated Credit Agreement, dated as of February 5, 2024, as amended by that certain Fifth Amendment to Third Amended and Restated Credit Agreement and Forbearance Agreement, dated as of April 1, 2025, and as amended by that certain Sixth Amendment to Third Amended and Restated Credit Agreement and Reaffirmation of Forbearance Agreement dated as of April 16, 2025, the “ABL Credit Agreement”), dated as of August 27, 2019, by and among certain of the Debtors and Non-Debtors party thereto, the guarantors from time to time party thereto, the ABL Lenders, the issuing banks party thereto, and the ABL Agent, as administrative agent. The Fifth Amendment to the ABL Credit Agreement allowed for the borrowers to borrow up to an aggregate amount of \$500 million (subject to borrowing base availability).

On April 1, 2025, the Debtors, the ABL Agent, and the ABL Lenders entered into the ABL Forbearance Agreement whereby the ABL Lenders and the ABL Agent agreed to forbear from exercising any rights and remedies, in respect of the Specified Defaults (as defined in the ABL Forbearance Agreement), other than a default rate of interest until April 30, 2025. The ABL Forbearance Agreement also provided for entry into a cash dominion period whereby the ABL Agent was permitted to exercise dominion and control over the Company’s deposit accounts (the “Cash Dominion Period”) in light of the Debtors ongoing default under the ABL Credit Agreement. During the Cash Dominion Period, the ABL Agent was permitted on a daily basis to apply funds in certain of the Debtors’ accounts against any amounts owing under the ABL Credit Agreement before such funds became available for use by the Debtors.

As of the Petition Date, an aggregate amount of approximately \$348 million was outstanding under the ABL Facility, including letters of credit issued and outstanding thereunder with face value of approximately \$30 million in the aggregate. The interest rate on obligations under the ABL Facility was equal to the Base Rate (as defined in the ABL Credit Agreement) *plus* 1.5% per annum.

¹⁸ The maturity date of the ABL Facility is the earlier to occur of (a) October 28, 2027, and (b) the date that is ninety-one days before the maturity date of the Term Loan Facility.

Pursuant to the DIP Orders, (1) all Bank Product Obligations, all Letters of Credit (each as defined in the DIP Orders), and all unpaid and accrued interest, fees, and expenses, whether contingent, unmatured or otherwise, that were due under the Prepetition ABL Facility (as defined in the DIP Orders) were “rolled up” into postpetition debt and automatically deemed exchanged for and issued under the DIP ABL Credit Agreement and deemed to constitute DIP ABL Obligations (as defined in the DIP Orders), (2) cash, collections, and proceeds securing the DIP ABL Facility in between entry of the Interim DIP Order and entry of the Final DIP Order were used to pay down and deemed to reduce, on a dollar-for-dollar basis, the Prepetition ABL Obligations (as defined in the DIP Orders), and (3) upon entry of the Final DIP Order, any and all remaining Prepetition ABL Obligations were deemed exchanged and converted into and deemed to constitute DIP ABL Obligations, in accordance with the terms and conditions of the Interim Order and the DIP ABL Credit Agreement.

2. Bridge Facility.

Before the Petition Date, the Debtors were party to the Bridge Facility under that certain Super Priority Credit Agreement (as amended by that certain Amendment No. 1 to Super Priority Credit Agreement, dated as of March 13, 2025, that certain Incremental Amendment No. 1 and Amendment No. 2 to Super Priority Credit Agreement, dated as of March 25, 2025, and that certain Incremental Amendment No. 2 and Amendment No. 3 to Super Priority Credit Agreement, dated as of April 1, 2025, the “Bridge Credit Agreement”), dated as of March 7, 2025, by and among certain of the Debtors and Non-Debtors party thereto, the guarantors from time to time party thereto, the Bridge Lenders, and Wilmington Savings Fund Society, FSB (the “Bridge Agent”), as administrative agent and collateral agent.

Initially, the Bridge Facility contemplated up to \$100 million in funding capacity with \$40 million in financing committed and provided upon closing. On March 25, 2025, the Bridge Lenders committed and provided the Company with \$35 million in incremental funding under the Bridge Facility and increased the total capacity available under the Bridge Facility from \$100 million to \$140 million pursuant to that certain Incremental Amendment No. 1 and Amendment No. 2 to the Super Priority Credit Agreement, dated as of March 25, 2025. On April 1, 2025, the Bridge Lenders committed and provided the Company with \$45 million in incremental funding under the Bridge Facility pursuant to that certain Incremental Amendment No. 2 and Amendment No. 3 to the Super Priority Credit Agreement, dated as of April 1, 2025.

As of the Petition Date, an aggregate amount of approximately \$150 million remained outstanding under the Bridge Facility. The Bridge Facility bore an interest rate equal to Term SOFR (as defined in the Bridge Credit Agreement) *plus* 1.5% per annum interest to be paid in cash *plus* 8.5% per annum of PIK Interest (as defined in the Bridge Credit Agreement).

Upon entry of the Final DIP Order the outstanding obligations under the Bridge Facility were “rolled-up” and automatically deemed exchanged and converted on a cashless basis into and constituted DIP Term Loan Obligations (as defined in the DIP Orders).

3. Term Loan Facility.

The Debtors are party to that certain term loan facility (the “Term Loan Facility”) under that certain Credit Agreement (as amended by that certain Refinancing Amendment No. 1, dated as of February 11, 2021, that certain LIBOR Transition Amendment No. 2, dated as of September 19, 2022, that certain Amendment No. 3 to Credit Agreement, dated as of March 7, 2025, that certain Amendment No. 4 to Credit Agreement, dated as of March 13, 2025, that certain Agency Resignation, Appointment, Assumption and Amendment Agreement, dated as of March 14, 2025, and that certain Forbearance and Amendment No. 6 to Credit Agreement, dated as of April 1, 2025 as may be further amended, restated, supplemented, or otherwise modified from time to time, the “Term Loan Credit Agreement”), dated as of

August 27, 2019, by and among certain of the Debtors and Non-Debtors party thereto, the guarantors from time to time party thereto, the lenders from time to time party thereto (the “Term Loan Lenders”), Wilmington Savings Fund Society, FSB (as successor to Bank of America, N.A., including any successors thereto, the “Term Loan Agent”), as administrative agent.

On April 1, 2025, the Debtors entered into the Term Loan Forbearance Agreement with the Term Loan Agent and the Term Loan Lenders under which they agreed not to exercise any rights and remedies, other than a default rate of interest, with respect to the Specified Defaults (as defined in the Term Loan Forbearance Agreement) under the Term Loan Credit Agreement.

In connection with the incurrence of the Bridge Facility, the Company also agreed to amend the Term Loan Credit Agreement and provide additional credit support thereunder in the form of guarantees and/or asset collateral from, and share pledges with respect to, additional Debtor and non-Debtor entities.

As of the Petition Date, an aggregate amount of approximately \$1,072 million remained outstanding under the Term Loan Facility. The Term Loan Facility bears an interest rate equal to the SOFR (as defined in the Term Loan Credit Agreement) *plus* 4.75% per annum. The Term Loan Facility matures on August 27, 2026.

4. ABL Facility, Bridge Facility, and Term Loan Facility Priority.

Pursuant to that certain Intercreditor Agreement between, *inter alia*, the ABL Agent, the Term Loan Agent, and the Bridge Agent, dated as of August 27, 2019 (as amended, restated, supplemented, or otherwise modified from time to time, the “ABL Intercreditor Agreement”), the ABL Facility held a first priority lien vis-à-vis the Debtors’ other debt obligations with respect to Revolving Priority Collateral (as defined in the ABL Intercreditor Agreement) which included, among other things, certain cash, accounts receivable, and inventory. Pursuant to that certain Super Priority Intercreditor Agreement between, *inter alia*, the Term Loan Agent and the Bridge Agent, dated as of March 7, 2025 (as amended, restated, supplemented, or otherwise modified from time to time, the “Bridge Intercreditor Agreement”), and the ABL Intercreditor Agreement, the Bridge Facility and the Term Loan Facility, respectively, held a second-priority and third-priority lien, respectively, vis-à-vis the Debtors’ other debt obligations with respect to Revolving Priority Collateral (as defined in the ABL Intercreditor Agreement).

Pursuant to the ABL Intercreditor Agreement and the Bridge Intercreditor Agreement, the Bridge Facility, the Term Loan Facility, and the ABL Facility held, respectively, a first priority, second priority, and third priority lien vis-à-vis the Debtors’ obligations with respect to Term Loan Priority Collateral (as defined in the ABL Intercreditor Agreement), which consists of all other collateral not constituting Revolving Priority Collateral and includes, among other things, equipment, real property, fixtures, intellectual property, and stock pledges.

Pursuant to the DIP Orders, and subject and subordinate to the Carve Out (as defined therein) and in accordance with the priority set forth in the DIP Orders, the DIP Term Loan Agent (on behalf of the DIP Term Loan Secured Parties) and the DIP ABL Agent (on behalf of the DIP ABL Secured Parties) (each as defined in the DIP Orders) were each granted, on a final basis, an allowed superpriority administrative expense claim against each of the Debtors on account of the DIP Term Loan Obligations and DIP ABL Obligations (each as defined in the DIP Orders), respectively, with priority over any and all administrative expense claims and unsecured claims against the Debtors or their estates (such claims, respectively, the “DIP Term Loan Superpriority Claims” and the “DIP ABL Superpriority Claims,” and together, the “DIP Superpriority Claims”). The Final DIP Order also provided that, as security for the DIP Term Loan Obligations and the DIP ABL Obligations, respectively, subject to the Carve Out and in accordance with the priority set forth in the DIP Orders, the DIP Term Loan Agent (on behalf of the DIP Term Loan

Secured Parties) and the DIP ABL Agent (on behalf of the DIP ABL Secured Parties) were each granted on a final basis, subject and subordinate to the Carve Out and to any Permitted Liens (as defined therein) and with the relative rank and priority set forth in the Lien/Claim Priorities Annex attached as Annex A to the Interim DIP Order (the “Lien/Claim Priorities Annex”), properly perfected security interests in and liens on the DIP Collateral (as defined therein) (such liens, respectively, the “DIP Term Loan Liens” and the “DIP ABL Liens” and together, the “DIP Liens”).

As described more fully in the Lien/Claim Priorities Annex and subject in all respects to the Carve Out and the Permitted Liens (each as defined in the DIP Orders), (a) the DIP ABL Liens and DIP ABL Superpriority Claims have priority with respect to DIP Collateral that constitutes Revolving Priority Collateral (as defined in the ABL Intercreditor Agreement) and DIP Collateral that constitutes previously unencumbered property of the nature of Revolving Priority Collateral; and (b) the DIP Term Loan Liens and DIP Term Loan Superpriority Claims have priority with respect to DIP Collateral that constitutes Term Loan Priority Collateral (as defined in the ABL Intercreditor Agreement) and DIP Collateral that constitutes previously unencumbered property that is not of the nature of Revolving Priority Collateral. Pursuant to the Final DIP Order, the Prepetition Term Loan Liens, Prepetition Term Loan Claims, Prepetition ABL Liens, and Prepetition ABL Claims (as defined in the DIP Orders) are junior to the DIP Liens and DIP Superpriority Claims. Between the Prepetition Term Loan Liens and Prepetition Term Loan Claims, on the one hand, and the Prepetition ABL Liens and Prepetition ABL Claims, on the other, (i) the Prepetition Term Loan Liens and Prepetition Term Loan Claims retain priority with respect to DIP Collateral that constitutes Term Loan Priority Collateral, and (ii) the Prepetition ABL Liens and Prepetition ABL Claims retain priority with respect to DIP Collateral that constitutes Revolving Priority Collateral.

5. Capital Leases and Sale Leasebacks.

Ascend is party to certain capital leases (the “Capital Leases”) for buildings, railcars, and automobiles, and Sale Leasebacks for property, including thermal reduction units, HMD reactors, industrial rectifiers, and various other equipment located at certain of Ascend’s facilities. The Company is party to twenty-seven Capital Leases, which have maturities between June 30, 2025, and December 31, 2029, and seven Sale Leasebacks,¹⁹ which have maturities between January 1, 2027, and December 1, 2030. The interest rates applicable to the Sale Leasebacks vary.

As of the Petition Date, the aggregate minimum monthly rent due under the Capital Leases and Sale Leasebacks was approximately \$10 million. In total, the Company owes an aggregate amount of approximately \$350 million on account of the Capital Leases and Sale Leasebacks.

6. Receivables Facility.

In the ordinary course of business, Debtor Ascend Performance Materials Inc. (the “Originator”) is party to a receivables agreement (the “Receivables Agreement”) with JPMorgan Chase Bank, N.A. (“JPMorgan”) for the sale of certain accounts receivable generated from the sale of chemical compounds to Honeywell International Inc. (the “Customer”). Pursuant to the Receivables Agreement, the Originator assigns and sells to JPMorgan certain of these accounts receivable (the “Designated Receivables”) as a form of supply chain financing, allowing the Company to access funds sooner. JPMorgan pays the Company for the Designated Receivables at a discount to face value. Sales of the Designated Receivables to JPMorgan are intended to be “true sales,” with all of the Originator’s right, title, and interest in, to, and under the Designated Receivables transferring to JPMorgan free and clear of any adverse interests, including all rights

¹⁹ For the avoidance of doubt, nothing herein shall be deemed an admission as to the validity of such Sale Leasebacks as true leases.

to proceeds and collections with respect thereto. The Receivables Agreement allows the Company to monetize certain accounts receivable quicker than it would otherwise be able to if it waited for the Customer to pay invoices under the terms of sale.

7. China-Related Operations Debt.

Certain of the Company's subsidiaries located in China, which, for the avoidance of doubt, are not Debtors, are borrowers under various Chinese debt facilities, with an aggregate amount of approximately \$158 million outstanding as of the Petition Date. The maturity dates under such debt facilities vary with several upcoming debt repayments due in 2025. The interest rates under such debt facilities vary as well, depending on the debt facility.

8. Equity Interests.

The equity of Ascend Parent and Debtor APM Disc Holdings LLC consists of, as of the Petition Date, common stock ("Common Stock") and units of equity ownership ("Units"), respectively. Units are issued in exchange for capital contributions and function similarly to common stock. As of the Petition Date, the majority of the Common Stock and the Units are held directly by SK Titan Holdings LLC. The Common Stock and the Units are not listed on a national securities exchange and have highly limited liquidity outside of privately negotiated transactions.

VI. EVENTS LEADING TO THE CHAPTER 11 FILINGS

A. Operational Rationalization and Liquidity Management Measures.

The PA66 industry has undergone a prolonged market trough, driven largely by reduced demand across all end markets since 2022 and increased competition, including from new Chinese market entrants who have adopted aggressive pricing behavior. The combination of such macroeconomic and industry headwinds has imposed severe constraints on Ascend's margins, cashflows, and liquidity. Further, decreased cash collections and reduced accounts receivables have compressed the Company's borrowing base under its ABL Facility, further straining the Company's liquidity reserves.

To combat these challenges, Ascend undertook an array of measures to improve its margins and manage its liquidity, including reducing its headcount, decreasing manufacturing costs via its procurement cost-reduction pipeline, and consolidating its footprint. Since January 2024, the Company has reduced its selling, general, administrative, and travel ("SGA&T") headcount by more than twenty percent, which has generated nearly \$60 million in total savings compared to 2023.

Additionally, Ascend undertook certain initiatives that enabled the Company to cut its fixed manufacturing costs by approximately \$100 million in 2024. In conjunction with its manufacturing cost-reduction efforts, Ascend implemented a procurement cost-reduction pipeline which, as a result of the Company's strong vendor relationships, allowed the Company to purchase certain manufacturing inputs at lower prices. While the procurement cost-reduction pipeline was expected to yield significant savings in 2025 (as in previous years), given the Company's deferral of certain vendor obligations and the subsequent tightening of trade terms, the Company's ability to reduce costs was limited. In some instances, the Company was forced to purchase more expensive inputs from third parties. In other instances, the Company's requests for reduced pricing were rejected due to the Company's deferral of vendor obligations.

In connection with its footprint reduction efforts, in early 2024 the Company began the process of exiting the Greenwood, South Carolina facility, as discussed in Article VII.I, and shifted production to Pensacola. This transition was completed in early 2025 and is projected to have the largest standalone

impact on EBITDA relative to other cost-savings initiatives, with expected annual net recurring EBITDA benefits of approximately \$30 million. The Company also shuttered its Tilburg compounding facility in April 2024 and consolidated all production and volume into the Company's compounding facility in Mozzate by October 2024.

While the Company's operational rationalization measures generated significant cost savings, persistent pricing pressure continued to impede margin growth, and the Company's liquidity crunch deepened. As a result, Ascend undertook various liquidity improvement exercises over the two years leading up to the Petition Date and placed tight governance controls on all spending decisions. These measures have included, among other things, (a) entering into approximately \$250 million in sale leaseback transactions for the Company's assets located in the United States,²⁰ (b) factoring certain of the Company's foreign accounts receivables, and (c) reducing inventory levels to safety stock levels for most of the materials used in the manufacturing process. Beginning in the fourth quarter of 2024, the Company also began deferring the payment of certain of its vendor obligations to better manage its liquidity position.

B. Recent Headwinds & Liquidity Pressure.

Beginning in the fourth quarter of 2024, the Company's liquidity situation became ever-more acute due to several negative events. First, in December 2024, a fire at the Pensacola facility brought certain critical chemical production operations to a halt until the middle of February 2025 and contributed to an EBITDA loss of approximately \$6 million in the first quarter of that year. Then, sub-freezing temperatures in Texas in January 2025 caused Ascend to proactively shut down plant operations at its Chocolate Bayou facility to avoid significant freeze-related damage.²¹ The proactive shutdown reduced the Company's AN production capacity and increased the risk of an AN supply shortage, which, if left unaddressed, could have caused significant operational disruption (including a shutdown of the Company's Decatur facility and other downstream plants). To avoid an AN supply shortage, the Company was forced to purchase AN on the open market, further depleting its cash reserves.

Additionally, the Company has been impacted by logistics delays due to the closure of the main inland barge chamber at Wilson Lock after inspections revealed cracks in the lock gates in September 2024. The two main waterways that the Company uses for Texas shipments, the Tennessee Tombigbee and the Mississippi rivers, can only reach Decatur via the Wilson Lock. Accordingly, the Company was forced to use a trucking alternative to transport all AN into Decatur and all ADN out of Decatur to Pensacola. While barge shipping from Chocolate Bayou to Decatur typically takes fourteen days, ground transport typically takes more than thirty days and costs substantially more. Increased transit times required the Company to supplement HMD production at Pensacola by purchasing ADN from third parties at a premium, creating additional and unexpected cash outlays of approximately \$12 million, plus an additional \$4 million premium paid for the trucking alternative.

The foregoing events collectively decreased first quarter 2025 EBITDA by approximately \$16 million and placed increased strain on the Company's already tight liquidity position. Accordingly, the Company was forced to significantly increase its payment deferrals for certain vendor obligations, resulting in a past-due accounts-payable wall of more than \$110 million at its apex. In light of Ascend's payment deferrals, the Company's vendors began applying increased pressure on the Company beginning

²⁰ See Article V.C(5)

²¹ Temperatures below twenty-five degrees Fahrenheit can increase the risk of environmental incidents and mechanical failure at Ascend's facilities, which, as discussed above, process toxic chemicals. As a result, all of Ascend's plants follow specific freezing weather protocols to prevent environmental, mechanical, and operational damage.

in January 2025, including by demanding cash in advance, tightening payment terms, threatening to remove rental equipment, and ceasing to supply goods and services. Such actions required the Company to seek alternative and higher-cost providers, eroded the Company's bargaining power, and endangered the Company's procurement-related cost savings, each of which increased cash outlays.

Additionally, on February 18, 2025, S&P Global Inc. ("S&P") downgraded Ascend's credit rating from a "B" to a "CCC+," which rating indicates that the issuer is vulnerable and that a default is likely. To support such downgrade, S&P cited risks associated with the Term Loan Facility going current in 2025, the Company's tight liquidity position, and a slower than anticipated improvement in credit metrics relative to S&P's base case. On March 5, 2025, Moody's Investors Service Inc. followed S&P's lead and downgraded Ascend's credit rating, with a negative outlook, further into distressed territory.

On the heels of such credit downgrades, Ascend's vendors increased pressure on the Company, making additional demands for cash-in-advance, requests for letters-of-credit and other forms of security, and threats to stop supplying or servicing Ascend altogether. The acceleration of trade terms further constricted the Company's cash balance and increased the risk of severe operational disruption.

With a substantial portion of its overdue accounts payable owed to providers of essential goods and services, including utility providers, raw material suppliers, and labor suppliers, the Company determined that it required a near-term liquidity infusion to avoid a value destructive facility shutdown.

C. Retention of Professionals & Enhanced Corporate Governance.

Against this backdrop of macroeconomic headwinds, declining liquidity, and near-term maturities, on January 27, 2025, and January 31, 2025, the Company engaged Kirkland and PJT, respectively, to evaluate potential refinancing and restructuring options. Additionally, on February 7, 2025, the Company engaged FTI to support its liquidity management measures, refine its cash-flow forecast, and assist with the evaluation of strategic alternatives.

In order to ensure a thorough and fair process with respect to the Company's assessment of available strategic alternatives, on January 27, 2025, two experienced disinterested directors—Mr. Todd W. Arden and Mr. Charles T. Piper (collectively, the "Initial Disinterested Directors")—were appointed as independent and disinterested directors to the board of directors (the "APM Holdings Board") of Ascend Parent. On January 27, 2025, the APM Holdings Board, in consultation with the Advisors, also reviewed the Company's existing corporate governance infrastructure and determined that it was advisable and in the best interests of the Company and its stakeholders to establish a special committee of independent and disinterested managers and directors (the "Holdings Special Committee") of the APM Holdings Board and appointed the Initial Disinterested Directors to the Holdings Special Committee. As discussed in Article VII.M, the APM Holdings Board delegated to the Holdings Special Committee certain rights, authority, and powers in connection with any Conflicts Matters.²²

²² The term "Conflicts Matters" is defined in the Boards' resolutions appointing the Disinterested Directors and constituting the Special Committee (as defined herein) as "any matters in which a conflict of interest exists or is reasonably likely to exist between [a Debtor], on the one hand, and any of its current or former directors, managers, officers, investment committee members, special or other committee members, members of any governing body, equityholders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, managed accounts or funds, predecessors, participants, successors, assigns (whether by operation of Law or otherwise), subsidiaries, current, former, and future associated Entities, Affiliates, partners, limited partners, general partners, principals, members, management companies, fund advisors or managers, fiduciaries, employees, agents, trustees, advisory board members, financial advisors, attorneys (including any other attorneys or professionals retained by any current or former director or manager in

In connection with the Bridge Facility, on March 6, 2025, the governing bodies of certain Company entities authorized the retention and employment of a Chief Restructuring Officer (“CRO”) with respect to certain Company entities and subsequently authorized the appointment of Robert Del Genio, a senior managing director at FTI, as CRO at the following entities: Ascend Performance Materials Holdings Inc., APM (Canada) LLC, APM (PR) LLC, Ascend Performance Materials Inc., Ascend Performance Materials Operations LLC, Ascend Performance Materials Texas Inc., APM Disc Holdings LLC, and APM Disc Inc. As CRO, Mr. Del Genio was authorized and empowered to evaluate each Company’s alternatives for maximizing value for stakeholders and authorized from time to time to make decisions with respect to certain aspects of the management and operation of each Company’s business as it specifically relates to the respective Company’s restructuring initiatives, subject to the direction of the applicable board or special committee thereof. Also, in connection with the Bridge Facility, on March 7, 2025, the Company also elected Mr. Michael J. Wartell, an experienced disinterested director, to the APM Holdings Board as an independent director (collectively with the Initial Disinterested Directors, the “Disinterested Directors”) and appointed him to the Holdings Special Committee.

On March 18, 2025, the Disinterested Directors retained Katten Muchin Rosenman LLP (“Katten”) as independent counsel to assist in discharging their duties, including to assist in conducting an independent investigation into the Conflicts Matters, including potential claims and causes of action that the Company may hold against Related Parties. As discussed in Article VII.M herein, the investigation remains ongoing as of the date hereof.

On April 7, 2025, members of the boards of certain Company entities authorized the retention and employment of a CRO at certain Company entities and the appointment of Robert Del Genio as CRO at the following entities: APM Foreign Holdings LLC, Ascend Performance Materials Consumer Solutions LLC, and Ascend Performance Materials Consumer Solutions Holdings LLC. Further, on April 7, 2025, the boards of certain Company entities each appointed Mr. Todd W. Arden, Mr. Charles T. Piper, and Mr. Michael J. Wartell to the boards of the following Company entities (collectively, with the APM Holdings Board, the “Boards”) and appointed each to the special committee therein (together, with the Holdings Special Committee, the “Special Committee”): APM (Canada) LLC, APM (PR) LLC, Ascend Performance Materials Inc., Ascend Performance Materials Operations LLC, Ascend Performance Materials Texas Inc., APM Foreign Holdings LLC, Ascend Performance Materials Consumer Solutions LLC, and Ascend Performance Materials Consumer Solutions Holdings LLC. As discussed in Article VII.M, the Boards delegated to the Special Committee certain rights, authority, and powers in connection with any Conflicts Matters.

On July 29, 2025, the Disinterested Directors retained Province, LLC (“Province”) as independent financial advisor to assist in discharging their duties.

D. Independent Investigation of the Special Committee.

The Special Committee, with the assistance of Katten and Province has been conducting an Independent Investigation of the Conflicts Matters beginning in late March 2025, including potential Claims and Causes of Action that could be asserted by the Debtors’ estates against Related Parties (as defined below) regarding certain prepetition transactions involving the Related Parties.

his or her capacity as a director or manager of an entity), accountants, investment bankers, consultants, representatives, and other professionals and advisors of such Person or Entity, and any such Person’s or Entity’s respective heirs, executors, estates, and nominees (collectively, the “Related Parties”), on the other hand, as reasonably determined by the Special Committee.”

In furtherance of this investigation, the Disinterested Directors, with the assistance of Katten and Province have carried out extensive diligence into the matters subject to the Independent Investigation. Specifically, the Disinterested Directors, with the assistance of Katten, have issued numerous document and information requests to the Debtors and SK Capital Investment II, LLC (collectively with its related subsidiaries, “SK Capital”) seeking, among other things, board materials and minutes, corporate governance documents, transaction documents, financial and accounting information, correspondence, electronic communications, and other documents and information relevant to the Independent Investigation. Province, on behalf of the Disinterested Directors, has made separate document requests to the Debtors and the Debtors’ Advisors as part of its analysis of Ascend’s financial condition and the economic terms of certain matters subject to the Independent Investigation. Katten and Province have received and reviewed more than 125,000 documents and electronic communications, totaling more than 790,000 pages, produced by the Debtors and SK Capital in response to the Disinterested Directors’ requests and/or requests from the Committee and received access to a virtual data room maintained by the Company for various lender and creditor groups. In addition, Katten has interviewed certain current and former officers of Ascend and a principal of SK Capital.

The Disinterested Directors have met with Katten and, upon its retention, Province, on a weekly basis (or as often as circumstances have dictated) to direct the Independent Investigation and obtain updates on the workstreams and findings. Katten has also been in communication with the Ad Hoc Group and the Committee since the Committee’s appointment, including to apprise the Ad Hoc Group and the Committee on the general scope and status of the Independent Investigation, provide non-privileged documents relevant to the Independent Investigation, and coordinate on further document-gathering and information-gathering efforts with the Committee.

Broadly speaking, the scope of the Independent Investigation has included, among other potential Claims or Causes of Action, distributions, transfers, and related transactions between Ascend and its Related Parties. The Disinterested Directors, working with Katten and Province are evaluating potentially viable and valuable Claims and Causes of Action in connection with such transactions, as well as potential defenses thereto.

As of the date hereof, the Independent Investigation remains ongoing. On July 30, 2025, the Debtors, with the assistance of the Special Committee, entered into a Tolling Agreement (as described below) with SK Capital, which tolls the statutes of limitations for all Claims (including those related to the Investigation Topics (as defined below)) for three months from the date of entry into such agreement.

E. Engagement with Key Stakeholders.

In January 2025, in light of the Company’s escalating cashflow concerns and its having exhausted all alternatives to increase liquidity over the previous two and a half years, Ascend began to explore all strategic alternatives to alleviate pressure on its business. In connection with such efforts and as discussed above, Ascend and its Advisors initiated discussions regarding a potential financing solution with several of the Company’s stakeholders. Ultimately, the Ad Hoc Group, who started these discussions with the Company in late February, were the only stakeholders that agreed to provide the Company with the quantum of capital needed on the expedited timeline required to avoid a value-destructive plant shutdown.

On March 7, 2025, the Company obtained access to \$40 million in liquidity pursuant to the Bridge Facility provided by the Ad Hoc Group. The Bridge Facility was upsized to \$120 million over the following four weeks. This cash infusion provided the Company with the necessary additional time to prepare for an orderly and value-maximizing chapter 11 filing, which would not have been otherwise possible given the Company’s then-present liquidity situation and vendor headwinds. To obtain additional time to negotiate the terms of the DIP Facilities (as defined below) and to ensure an orderly chapter 11 filing, the ABL

Lenders agreed to certain amendments, allowing the Company to draw an incremental \$15 million on April 16, 2025.

On April 21, 2025, the Debtors filed the Chapter 11 Cases in the Bankruptcy Court with the support of the Ad Hoc Group and the ABL Lenders.

VII. MATERIAL DEVELOPMENTS AND ANTICIPATED EVENTS OF THE CHAPTER 11 CASES

A. First Day Relief.

On the Petition Date, along with their voluntary petitions for relief under chapter 11 of the Bankruptcy Code (the “Petitions”), the Debtors filed several motions (the “First Day Motions”) designed to facilitate the administration of the Chapter 11 Cases and minimize disruption to the Debtors’ operations, by, among other things, easing the strain on the Debtors’ relationships with employees, vendors, and customers following the commencement of the Chapter 11 Cases. On April 22, 2025, the Bankruptcy Court entered orders approving the First Day Motions on either an interim or final basis.

A brief description of each of the First Day Motions and evidence in support thereof is set forth in the First Day Declaration. The First Day Motions, and all orders for relief granted in the Chapter 11 Cases, can be viewed free of charge at <https://dm.epiq11.com/Ascend>.

1. Authorization to Use Cash Collateral and Obtain Debtor in Possession Financing.²³

On April 22, 2025, the Debtors filed the Debtors’ *Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Granting Liens and Providing Claims with Superpriority Administrative Expense Status, (III) Authorizing the Use of Cash Collateral, (IV) Modifying the Automatic Stay; (V) Scheduling a Final Hearing, and (VI) Granting Related Relief* [Docket No. 36] (the “DIP Financing Motion”). The DIP Financing Motion sought approval of (a) an approximately \$400 million super priority senior secured term loan facility (the “DIP Term Loan Facility”), comprising (i) \$250 million in new money loans, \$150 million of which became available upon entry of the Interim DIP Order (as defined below) and (ii) a “roll-up” of approximately \$150 million of the Prepetition Super Priority Term Loan Obligations (as defined in the DIP Orders) upon entry of the Interim DIP Order, and (b) a \$500 million asset-based revolving credit facility (the “DIP ABL Facility,” and the DIP ABL Facility together with the DIP Term Loan Facility, the “DIP Facilities”), comprising (i) postpetition access to all of the commitments under the Prepetition ABL Facility, (ii) a creeping “roll-up” of all Prepetition ABL Obligations (as defined in the DIP Orders) upon entry of the Interim DIP Order, and (iii) a full “roll-up” of all remaining Prepetition ABL Obligations upon entry of the Final DIP Order.

On April 23, 2025, the Bankruptcy Court entered an order approving the DIP Financing Motion on an interim basis and authorizing the Debtors to access \$150 million of new money DIP Term Loans under the DIP Term Loan Facility and all available borrowings under the DIP ABL Facility [Docket No. 96] (the “Interim DIP Order”). On May 14, 2025, Devall Commercial Barge Line, L.L.C. (“Devall”) [Docket No. 295] and on May 22, 2025, PNC Bank, N.A. and U.S. Bank, N.A. [Docket Nos. 353, 358, respectively] filed objections to approval of the DIP Financing Motion on a final basis. After good-faith arms’ length negotiations resolved all formal objections and informal comments to the DIP Financing Motion, on May 29, 2025, the Debtors filed a certificate of counsel with respect to a revised form of order [Docket No. 384].

²³ Capitalized terms used but not defined in this section have the meanings ascribed to such terms in the Final DIP Order.

On May 29, 2025, the Bankruptcy Court entered an order [Docket No. 389] (the “Final DIP Order”), approving, on a final basis, the relief requested in the DIP Financing Motion, including, among other things, (a) the borrowing of the remaining \$100 million in new money term loans and (b) the roll-up of the remaining Prepetition ABL Obligations.

The relief granted in the Final DIP Order incorporates the terms of a settlement with the Committee, which engaged in constructive dialogue with the Debtors and the DIP Lenders with respect thereto. As a result of such negotiations, the DIP Lenders agreed, among other things, to (a) a “soft” marshaling construct whereby the DIP Secured Parties shall use commercially reasonable efforts to first seek recovery from DIP Collateral other than Avoidance Actions Proceeds before seeking recovery from the Avoidance Actions Proceeds to repay the DIP Obligations (each as defined in the Final DIP Order); (b) an extended Challenge Deadline (as defined in the Final DIP Order) through July 21, 2025 solely with respect to the Committee; (c) extensions to certain other Milestones; and (d) an increase in the Investigation Budget (as defined in the Final DIP Order) to \$200,000.

2. Operational Motions.

The Debtors filed several other motions on the Petition Date seeking relief to facilitate their operation in the ordinary course, including:

- Cash Management Motion. The Debtors’ Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Continue Using the Cash Management System, (B) Maintain Existing Bank Accounts, Business Forms, and Books and Records, and (C) Continue Intercompany Transactions, (II) Granting Administrative Expense Status to Postpetition Intercompany Transactions, and (III) Granting Related Relief [Docket No. 23] (the “Cash Management Motion”), seeking authorization to continue using their existing cash management system, honor certain prepetition obligations thereto, maintain their existing bank accounts, and continue intercompany transactions and funding consistent with the Debtors’ historical practices. On April 22, 2025 the Bankruptcy Court entered an order approving the Cash Management Motion on an interim basis [Docket No. 83]. On May 27, 2025, the Bankruptcy Court entered an order approving the Cash Management Motion on a final basis [Docket No. 370].
- Wages Motion. The Debtors’ Emergency Motion for Entry of an Order (I) Authorizing the Debtors to (A) Pay Prepetition Wages, Salaries, Other Compensation, and Reimbursable Expenses and (B) Continue Employee Benefits Programs, and (II) Granting Related Relief [Docket No. 11] (the “Wages Motion”), seeking authorization to pay prepetition wages, salaries, other compensation, and reimbursable expenses, and to continue employee benefits programs in the ordinary course. On April 22, 2025, the Bankruptcy Court entered an order approving the Wages Motion on a final basis [Docket No. 78].
- Insurance and Surety Motion. The Debtors’ Emergency Motion for Entry of an Order (I) Authorizing the Debtors to (A) Maintain Insurance and Surety Coverage Entered into Prepetition and Satisfy Prepetition Obligations Related Thereto, (B) Honor and Renew the Premium Financing Agreements Entered into Prepetition, (C) Continue to Pay Certain Brokerage Fees, (D) Renew, Amend, Supplement, Extend, Purchase, and Enter into New Insurance Policies and Surety Bonds, and (E) Maintain the Surety Bond Program, and (II) Granting Related Relief [Docket No. 9] (the “Insurance Motion”), seeking authorization to pay their obligations under insurance policies entered into prepetition and renew, amend, supplement, modify, extend or purchase insurance coverage and surety

bonds in the ordinary course of business. On April 22, 2025, the Bankruptcy Court entered an order approving the Insurance Motion on a final basis [Docket No. 80].

- Receivables Motion. The Debtors' *Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Continuation of Certain Receivables Arrangements and (II) Granting Related Relief* [Docket No. 19] (the "Receivables Motion"), seeking authorization to continue their accounts receivables arrangement in the ordinary course of business. On April 22, 2025, the Bankruptcy Court entered an order approving the Receivables Motion on an interim basis [Docket No. 85]. On May 21, 2025, the Bankruptcy Court entered an order approving the Receivables Motion on a final basis [Docket No. 349].
- Hedging Motion. The Debtors' *Emergency Motion for Entry of an Order (I) Authorizing the Debtors to (A) Continue to Perform Under Existing Derivatives Contracts, (B) Enter into New Derivatives Contracts, (C) Grant Superpriority Claims, Provide Other Credit Support, and Honor Obligations Under Derivatives Contracts, (II) Modifying the Automatic Stay, and (III) Granting Related Relief* [Docket No. 7] (the "Hedging Motion"), seeking authorization to continue performing under existing derivatives contracts and pay any prepetition amounts owed thereunder and, as necessary, adjusting, modifying, terminating, and otherwise engaging in transactions thereunder, and to enter into and perform under new derivatives contracts. On April 22, 2025, the Bankruptcy Court entered an order approving the Receivables Motion on a final basis [Docket No. 89].
- Critical Vendors Motion. The Debtors' *Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Pay Certain Prepetition Claims of (A) 503(b)(9) Claimants, (B) Lien Claimants, (C) Critical Vendors, and (D) Foreign Claimants; (II) Confirming Administrative Expense Priority of Outstanding Orders; and (III) Granting Related Relief* [Docket No. 12] (the "Critical Vendors Motion"), seeking authorization to pay all prepetition amounts owing on account of various foreign claims, critical vendor claims, lien claims, section 503(b)(9) claims, and other claims, and confirming the administrative expense priority of outstanding purchase orders for goods not yet delivered by the Petition Date. On April 22, 2025, the Bankruptcy Court entered an order approving the Critical Vendors Motion on an interim basis [Docket No. 82]. On May 21, 2025, the Bankruptcy Court entered an order approving the Critical Vendors Motion on a final basis [Docket No. 348].
- Customer Programs Motion. The Debtors' *Emergency Motion for Entry of an Order (I) Authorizing the Debtors to (A) Maintain and Administer their Customer and Partner Programs and (B) Honor Certain Prepetition Business Practices Related Thereto and (II) Granting Related Relief* [Docket No. 6] (the "Customer Programs Motion"), seeking authorization to maintain and administer their customer programs and honor, pay, or otherwise satisfy any and all prepetition and postpetition obligations related to the Debtors' customer contracts in the ordinary course of business. On April 22, 2025, the Bankruptcy Court entered an order approving the Customer Programs Motion on a final basis [Docket No. 79].
- NOL Motion. The Debtors' *Emergency Motion for Entry of an Order (I) Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock and (II) Granting Related Relief* [Docket No. 10] (the "NOL Motion"), seeking authorization to approve certain notification and hearing procedures related to certain transfers of, or declarations of worthlessness with

respect to Debtor Ascend Performance Materials Holdings Inc.'s existing classes of common stock or any beneficial ownership thereof and direction that any purchase, sale, other transfer of, or declaration of worthless with respect to such common stock in violation of the procedures is null and void *ab initio*. On April 22, 2025, the Bankruptcy Court entered an order approving the NOL Motion on a final basis [Docket No. 81].

- Taxes Motion. The Debtors' Emergency Motion for Entry of an Order (I) Authorizing the Payment of Certain Taxes and Fees and (II) Granting Related Relief [Docket No. 13] (the "Taxes Motion"), seeking authorization to pay certain prepetition taxes and fees. On April 22, 2025, the Bankruptcy Court entered an order approving the Taxes Motion on a final basis [Docket No. 84].
- Utilities Motion. The Debtors' Emergency Motion for Entry of an Order (I) Approving the Debtors Proposed Adequate Assurance of Payment for Future Utility Services, (II) Prohibiting Utility Providers from Altering, Refusing, or Discontinuing Services, (III) Approving the Debtors Proposed Procedures for Resolving Adequate Assurance Requests, and (IV) Granting Related Relief [Docket No. 14] (the "Utilities Motion"), seeking authorization to approve the Debtors' proposed adequate assurance procedures and adequate assurance deposit and prohibit utility providers from altering, refusing, or discontinuing services. On April 22, 2025, the Bankruptcy Court entered an order approving the Utilities Motion on a final basis [Docket No. 86] (the "Utilities Order").

3. Administrative Relief.

The Debtors filed several motions to streamline the procedures and administration of these Chapter 11 Cases:

- Joint Administration. The Debtors' Emergency Motion for Entry of an Order (I) Directing Joint Administration of the Debtors' Chapter 11 Cases and (II) Granting Related Relief [Docket No. 3] (the "Joint Administration Motion"), seeking the procedural consolidation and joint administration of the Debtors' Chapter 11 Cases under the case of Ascend Performance Materials Holdings Inc. On April 22, 2025, the Bankruptcy Court entered an order approving the Joint Administration Motion on a final basis [Docket No. 60].
- Complex Case. The Notice of Designation as Complex Chapter 11 Bankruptcy Case [Docket No. 2] (the "Complex Case Notice"), seeking the designation of complex chapter 11 bankruptcy case treatment and application of the Procedures for Complex Chapter 11 Cases in the Southern District of Texas to the Chapter 11 Cases. On April 22, 2025, the Bankruptcy Court entered an order approving the Complex Case Notice [Docket No. 66].
- Creditor Matrix Motion. The Debtors' Emergency Motion for Entry of an Order (I) Authorizing the Debtors to (A) File a Consolidated Creditor Matrix and (B) Redact Certain Personally Identifiable Information of Natural Persons, (II) Approving the Form and Manner of Notifying Creditors of the Commencement of the Chapter 11 Cases and Other Information, and (III) Granting Related Relief [Docket No. 5] (the "Creditor Matrix Motion"), seeking approval to file a consolidated creditor matrix and list of the 30 largest general unsecured creditors in lieu of submitting separate mailing matrices and creditor lists for each Debtor, approving the form and manner of notifying creditors of the commencement of the Chapter 11 Cases, and authorizing the Debtors to redact certain personally identifiable information of all natural persons. On April 22, 2025, the

Bankruptcy Court entered an order approving the Creditor Matrix Motion on a final basis [Docket No. 88].

- Schedules and Statements Extension Motion. The Debtors' *Emergency Motion for Entry of an Order (I) Extending Time to File (A) Schedules and Statements and (B) Rule 2015.3 Financial Reports, (II) Modifying the Requirements of Bankruptcy Local Rule 2015-3, and (III) Granting Related Relief* [Docket No. 8] (the "Schedules and Statements Extension Motion"), seeking an extension of the deadlines by which the Debtors must file certain schedules of assets and liabilities and statements of financial affairs for each Debtor to June 20, 2025. On April 22, 2025, the Bankruptcy Court entered an order approving the Schedules and Statements Extension Motion on a final basis [Docket No. 90].
- Claims and Noticing Agent Application. The Debtors' *Emergency Ex Parte Application for Entry of an Order Authorizing the Employment and Retention of Epiq Corporate Restructuring, LLC as Claims, Noticing, and Solicitation Agent* [Docket No. 4] (the "Claims and Noticing Agent Application"), seeking authorization to employ Epiq to act as the claims, noticing, and solicitation agent for the Debtors. On April 22, 2025, the Bankruptcy Court entered an order approving the Claims and Noticing Agent Application on a final basis [Docket No. 67].

B. Proposed Case Timeline.

Subject to Bankruptcy Court approval, the Debtors intend to solicit votes to accept or reject the Plan and on the following proposed confirmation timeline:

<u>Event</u>	<u>Date</u>
Voting Record Date	September 10, 2025
Disclosure Statement Objection Deadline	September 12, 2025
Disclosure Statement Hearing	September 19, 2025
Solicitation Materials Mailing Deadline	Three Business Days after entry of the Disclosure Statement Order, or as soon as reasonably practicable thereafter
Publication Deadline	Five Business Days after entry of the Disclosure Statement Order, or as soon as reasonably practicable thereafter
Initial Plan Supplement Filing Deadline	October 15, 2025
Voting Deadline	October 17, 2025, at 4:00 p.m., prevailing Central Time
Opt-Out Deadline	October 17, 2025, at 4:00 p.m., prevailing Central Time
Confirmation Objection Deadline	October 17, 2025, at 4:00 p.m., prevailing Central Time
Deadline to File Voting Report	October 24, 2025
Confirmation Brief Deadline	October 24, 2025

Confirmation Hearing Date	October 27, 2025, subject to the Bankruptcy Court's availability
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C. Corporate Structure Upon Emergence.

Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, each Debtor shall continue to exist after the Effective Date as a separate corporation, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable Law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other analogous governing documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other analogous governing documents) are amended under the Plan or otherwise, in each case, consistent with the Plan, and to the extent such documents are amended in accordance therewith, such documents are deemed to be amended pursuant to the Plan and require no further action or approval.

D. Claims Reconciliation Process.

1. Bar Dates

On May 5, 2025, the Debtors filed the *Debtors' Motion for Entry of an Order (I) Establishing Deadlines for the Filing of Proofs of Claim, (II) Approving the Form and Manner of Notice Thereof, (III) Approving the Form and Manner for Filing Proofs of Claim, and (IV) Granting Related Relief* [Docket No. 225] (the "Bar Date Motion") seeking entry of an order establishing the following Bar Dates (as defined below) by which certain entities holding Claims against Debtors that arose (or that are deemed to have arisen) prior to the Petition Date must file Proofs of Claim:

- **Claims Bar Date:** **July 23, 2025**, at 4:00 p.m., prevailing Central Time, with respect to Proofs of Claim based on prepetition claims, including requests for payment under section 503(b)(9) of the Bankruptcy Code against any Debtor (the "Claims Bar Date");
- **Governmental Bar Date:** **October 20, 2025**, at 4:00 p.m., prevailing Central Time, with respect to Proofs of Claim for each governmental unit (the "Governmental Bar Date");
- **Rejection Damages Bar Date:** solely as to claims arising from the Debtors' rejection of executory contracts and unexpired leases, **the later of (a)(i) the Claims Bar Date or (ii) the Governmental Bar Date, as applicable, and (b) 4:00 p.m., prevailing Central Time, on the date that is thirty (30) days following entry of the order approving the Debtors' rejection of the applicable executory contract or unexpired lease**, with respect to Proofs of Claim for claimants holding claims based upon such rejection (such later date, the "Rejection Damages Bar Date");
- **Amended Schedules Bar Date:** in the event the Debtors amend their schedules, **the later of (a)(i) the Claims Bar Date or (ii) the Governmental Bar Date, as applicable, and (b) 4:00 p.m., prevailing Central Time, on the date that is thirty (30) days from the date on which the Debtors mail notice of the amendment to the Schedules**, with respect to Proofs of Claim for claimants holding claims affected by the amendment (such later date, the "Amended Schedules Bar Date" and, together with the Claims Bar Date, the Governmental Bar Date, and the Rejection Damages Bar Date, as applicable, the "Bar Date" or "Bar Dates").

On May 29, 2025, the Bankruptcy Court entered an order approving the Bar Date Motion on a final basis [Docket No. 386] (the “Bar Date Order”). On June 20, 2025, the Debtors filed their original *Schedules of Assets and Liabilities* (the “Original Schedules”) and *Statements of Financial Affairs* (the “Original Statements,” and together with the Original Schedules, the “Original Schedules and Statements”). On July 14, 2025, the Debtors filed a notice on the docket [Docket No. 632] amending Schedule G (Non-Individual Executory Contracts and Unexpired Leases) for certain Debtor entities [Docket Nos. 629, 630, 631] to include certain agreements that had been inadvertently omitted in the Original Schedules. Pursuant to the Bar Date Order, all entities holding claims affected by the amendment to the Original Schedules are required to file Proofs of Claim by the applicable Amended Schedules Bar Date.

E. Retention of Professionals.

On May 5, 2025, through July 28, 2025, the Debtors filed several other motions subsequent to the Petition Date to retain and compensate certain professionals utilized by the Debtors, including:

- Ordinary Course Professionals Motion. The Debtors’ Motion for Entry of an Order (I) Authorizing the Retention and Compensation of Certain Professionals Utilized in the Ordinary Course of Business [Docket No. 231] (the “OCP Motion”), seeking to establish procedures for the retention and compensation of certain professionals utilized by the Debtors in the ordinary course operation of their businesses. On, May 29, 2025, the Bankruptcy Court entered an order approving the OCP Motion on a final basis [Docket No. 388].
- Interim Compensation Motion. The Debtors’ Motion for Entry of an Order (I) Establishing Procedures for the Interim Compensation and Reimbursement of Expenses for Professionals and (II) Granting Related Relief [Docket No. 226] (the “Interim Compensation Motion”), seeking to establish procedures for the interim compensation and reimbursement of certain professional advisors utilized by the Debtors. On, May 29, 2025, the Bankruptcy Court entered an order approving the Interim Compensation Motion on a final basis [Docket No. 387].
- Retention Applications. The Debtors filed a number of applications seeking to retain certain professionals postpetition pursuant to sections 327 and 328 of the Bankruptcy Code, including Kirkland and Bracewell LLP as legal counsel, Katten Muchin Rosenman LLP as counsel to the disinterested directors of the boards of directors of each of the Debtors, FTI as financial advisor, PJT as investment banker, Deloitte Tax LLP as tax advisory services provider, Province, LLC, as independent financial advisor to the disinterested directors of the boards of directors of each of the Debtors, and GA Group Advisory & Valuation Services, LLC (“GA Group”) as valuation services provider [Docket Nos. 336, 338, 340, 342, 344, 694, 722] (collectively, the “Retention Applications”). On June 12, 2025, the Bankruptcy Court entered an order authorizing the retention of FTI [Docket No. 462]. On June 17, 2025, the Bankruptcy Court entered orders authorizing the retention of Kirkland [Docket No. 490], PJT [Docket No. 489], Katten Muchin Rosenman LLP [Docket No. 488], and Bracewell LLP [Docket No. 487].

F. Other Operational Motions

Since the Petition Date, the Debtors have filed certain other motions to facilitate the Debtors operations in these Chapter 11 Cases.

- De Minimis Asset Transactions Motion. On May 9, 2025, the Debtors filed the *Debtors' Motion for Entry of an Order (I) Approving Procedures for De Minimis Asset Transactions, (II) Approving Procedures for De Minimis Asset Abandonment, and (III) Granting Related Relief* [Docket No. 252], (the "De Minimis Asset Transactions Motion"), seeking approval of expedited procedures to use, sell, or transfer certain assets, acquire certain assets, and abandon certain assets. On May 29, 2025 the Texas Commission on Environmental Quality (the "TCEQ") filed a limited objection and reservation of rights requesting the proposed order be amended to include language (i) amending the notice provisions, (ii) clarifying compliance with TCEQ regulations upon disposal or abandonment of materials, equipment, and waste, and (iii) reserving the rights of governmental entities with respect to asserting liabilities and reserving other material rights [Docket No. 392]. On June 9, 2025, the Debtors filed a notice of a revised proposed order that resolved TCEQ's objection [Docket No. 442]. On, June 10, 2025, the Bankruptcy Court entered an order approving the De Minimis Asset Transactions Motion on a final basis [Docket No. 451].
- De Minimis Claims Settlement Motion. On May 9, 2025, the Debtors filed the *Debtors' Motion for Entry of an Order (I) Authorizing and Establishing Procedures for the Compromise and Settlement of De Minimis Claims, (II) Approving the Form and Manner of the Notice of Settlement, and (III) Granting Related Relief* [Docket No. 253] (the "De Minimis Claims Settlement Motion"), seeking approval of procedures to allow the Debtors to compromise and settle both prepetition and postpetition claims, counterclaims, cross-claims, litigation, and causes of action brought or threatened by various parties against the Debtors or their estates, or brought by the Debtors or their estates against such claimants, and approving the form and manner of notice to affected creditors. On June 6, 2025, the Bankruptcy Court entered an order approving the De Minimis Claims Settlement Motion on a final basis [Docket No. 433], and on June 13, 2025, the Bankruptcy Court entered a revised order [Docket No. 467] correcting certain notice periods under the procedures.
- KEIP Motion. On May 16, 2025, the Debtors filed the *Debtors' Motion for Entry of an Order (I) Authorizing and Approving the Debtors' Key Employee Incentive Plan and (II) Granting Related Relief* [Docket No. 317] (the "KEIP Motion"), seeking approval of their key employee incentive plan (the "KEIP"), which contemplates a compensation program designed to incentivize Ascend's leadership team to focus on the crucial role they play in these Chapter 11 Cases, along with their day-to-day business responsibilities. Key terms of the incentive plan include cash payments to certain key employees over the course of two performance periods during the Chapter 11 Cases, subject to the Debtors' achievement of monthly operational performance metrics tied to EBITDA targets for the fiscal year 2025. On, June 10, 2025, the Bankruptcy Court entered an order approving the KEIP Motion on a final basis [Docket No. 450].

G. Appointment of the Committee.

On May 5, 2025, the U.S. Trustee announced [Docket No. 223] that it had formed an official committee of unsecured creditors comprising nine members: (a) SDI, Inc.; (b) Turner Industries Group, LLC; (c) Veolia WTS USA, Inc.; (d) Optimal Field Services, LLC; (e) Sulzer Chemtech USA Inc.; (f) Gulf Coast Water Authority; (g) Pension Benefit Guaranty Corporation; (h) MHBA CB, L.L.P.; and (i) Clariant Corporation. On June 6, 2025, the Committee filed applications seeking to retain Brown Rudnick LLP [Docket No. 425] and Parkins & Rubio LLP [Docket No. 427] as co-counsel to the Committee, Ducera Partners LLC ("Ducera") [Docket No. 426] as investment banker, and AlixPartners, LLP [Docket No. 424] as financial advisor. In July 2025, the Bankruptcy Court entered orders authorizing the retentions of Brown

Rudnick LLP on July 7, 2025 [Docket No. 596], Parkins & Rubio LLP on July 8, 2025 [Docket No. 605], AlixPartners, LLP on July 9, 2025 [Docket No. 614]. On June 27, 2025, the Ad Hoc Group filed an objection to the retention of Ducera [Docket No. 560] on the grounds that (a) Ducera's retention under section 328 of the Bankruptcy Code would not allow for proper review of Ducera's compensation as the Chapter 11 Cases progress and at the date thereof Ducera's fee structure was unreasonable, and (b) the retention of Ducera would be duplicative with the retention of AlixPartners. After a hearing, on July 18, 2025, the Bankruptcy Court authorized the Committee's retention of Ducera [Docket No. 667]. On July 17, 2025, the U.S. Trustee gave notice of the reconstitution of the Committee to reflect the resignation of Optimal Field Services, LLC [Docket No. 664].

H. Committee Standing Motion.

On July 21, 2025, the Committee filed the *Motion of the Official Committee of Unsecured Creditors for (I) Leave, Derivative Standing, and Authority to Commence and Prosecute Certain Lien Claims and Causes of Action on Behalf of the Debtors' Estates and (II) Exclusive Settlement Authority* [Docket No. 673] (the "Committee Standing Motion") and an attached draft complaint (the "Committee Draft Complaint") seeking standing for the Committee to commence, prosecute, and settle certain claims and causes of action belonging to the Debtors' estates. The Company, Ad Hoc Group, and DIP Lenders oppose the Committee Standing Motion and believe that it states both legal and factual inaccuracies and should be denied.

The Committee Standing Motion argues, among other things, that the Debtors have failed to assert certain colorable claims and causes of action with respect to (a) the exclusion of certain collateral in prepetition security agreements with the Prepetition Lenders (as defined therein), (b) the Prepetition Lenders' failure to perfect liens and security interests in certain of the Debtors' real and personal property, and (c) the avoidability of certain liens and security interests granted to or filed by the Prepetition Lenders during the ninety (90) days preceding the Petition Date. The Committee argues that these claims include, among others, commercial tort claims, certain real estate assets, and certain real estate assets. The Committee asserts that since the Debtors are unable to bring such claims under the agreements, stipulations, and releases granted under the Final DIP Order, that the Committee is the proper party to assert these claims and causes of action to maximize the value of the estate. The Committee Draft Complaint, which was attached as an exhibit to the Committee Standing Motion, outlined the proposed actions the Committee sought to commence, the liens it sought to avoid, and the proposed claims and causes of action it sought to pursue. As of the date hereof, this matter is ongoing.

I. Greenwood Lease Rejection Motion

On June 30, 2025, the Debtors filed *Debtors' Motion for Entry of an Order (I) Authorizing (A) The Rejection of an Unexpired Lease of Non-Residential Real Property and (B) Abandonment of Certain Personal Property, if Any, Each Effective as of the Rejection Date, and (II) Granting Related Relief* [Docket No. 567] (the "Lease Rejection Motion"), seeking to reject a certain lease agreement entered into between the Debtors and EPM Greenwood, LLC for non-residential real property in Greenwood, South Carolina and abandon certain equipment, fixtures, furniture, and other personal property located on the premises, each effective as of the Rejection Date (as defined in the Lease Rejection Motion). On July 25, 2025, the Bankruptcy Court entered an order approving the Lease Rejection Motion on a final basis [Docket No. 688].

J. MasTec Litigation.

As of the Petition Date, debtor Ascend Performance Materials Operations LLC ("Ascend Operations"), as Owner, and MasTec Industrial Corporation ("MasTec"), as Contractor, were party to that certain lump sum turnkey agreement (the "MasTec Agreement") for the engineering, procurement,

construction, and related startup of a turnkey cogeneration steam power plant to be located near Ascend Operations's Decatur, Alabama manufacturing operations (the "Power Plant").

On or before March 12, 2020, as required by the MasTec Agreement, MasTec executed an irrevocable standby letter of credit in Ascend Operations' favor in the maximum amount of \$13,267,470 (the "MasTec Letter of Credit"). Under the terms of the MasTec Agreement, Ascend Operations was permitted to draw on the MasTec Letter of Credit in various circumstances, including but not limited to the occurrence of losses or damages related to MasTec's performance under the MasTec Agreement.

On November 10, 2022, Ascend Operations filed suit against MasTec in the United States District Court for the Southern District of Texas alleging injuries sustained as a result of MasTec's alleged failure to perform under the MasTec Agreement and seeking liquidated damages and additional compensatory damages (the "Texas Federal Litigation"). That same day, MasTec filed suit against Ascend Operations in Texas state court for alleged injuries arising out of alleged payments due and owing (the "Texas State Litigation"). The Texas State Litigation was later consolidated with the Texas Federal Litigation under the case caption, *MasTec Industrial Corp. f/k/a MasTec Power Corp. v. Ascend Performance Materials Operations LLC*, Case No. 4:22-cv-03932 (S.D. Tex.) (Eskridge, J.) (the "Consolidated District Court Action"). In the Consolidated District Court Action, MasTec has claimed more than \$24 million in damages. The Consolidated District Court Action was stayed upon the Debtors' chapter 11 filing.

On February 20, 2023, MasTec filed suit against Ascend Operations in Alabama state court seeking to enforce an amended lien in the amount of \$23,618,689.50 that replaced various putative mechanic's lien filings against the Power Plant (the "MasTec Lien"). Ascend Operations removed the dispute to the United States District Court for the Northern District of Alabama. The case, No. 5:23-cv-00228, *MasTec Industrial Corp. f/k/a MasTec Power Corp. v. Ascend Performance Materials Ops. LLC* (N.D. Ala.) was stayed in January 2024 pending the outcome of the Consolidated District Court Action.

On April 15, 2025, Ascend Operations drew on the MasTec Letter of Credit in full. On April 16, 2025, the United States District Court for the Southern District of Texas (the "District Court") issued a temporary restraining order requiring that Ascend Operations deposit the proceeds of the MasTec Letter of Credit (the "MasTec LOC Proceeds") into the court's registry. Ascend Operations complied with that order, and on April 25, 2025, Ascend Operations and MasTec stipulated, with the Bankruptcy Court's approval, that the Bankruptcy Court shall decide whether the MasTec LOC Proceeds constitute property of Ascend Operations's bankruptcy estate.

On May 28, 2025, Ascend Operations filed an adversary complaint [Docket No. 375] in Case No. 25-90127 (as amended, the "MasTec Complaint"), Adv. Pro. No. 25-03407, *Ascend Performance Materials Operations LLC v. MasTec Industrial Corporation f/k/a MasTec Power Corporation* (the "Adversary Proceeding"), against MasTec.

The MasTec Complaint seeks a declaratory judgement holding that MasTec does not hold a valid lien on the Power Plant, and separately, that MasTec LOC Proceeds are property of Ascend Operations's bankruptcy estate. On June 5, 2025, Ascend Operations filed *Ascend Performance Materials Operations LLC's Emergency Motion for Entry of Scheduling Order* (the "MasTec Scheduling Motion") [Docket No. 5], which sought to set deadlines for the Adversary Proceeding consistent with the milestones in these Chapter 11 Cases. On June 10, 2025, MasTec filed an objection [Docket No. 7] to the MasTec Scheduling Motion on the grounds that it did not contemplate a mechanism for the parties to negotiate the issues that should be litigated in federal court as opposed to the Bankruptcy Court and that it did not allow enough time to resolve the issues. On June 11, 2025, Ascend Operations filed an amended complaint [Docket No. 10] seeking substantially the same relief as in Ascend Operations' original adversary complaint. Ascend Operations filed a reply to MasTec's objection [Docket No. 11] on June 12, 2025. On

June 20, 2025, following a scheduling conference and status conference between the parties before the Bankruptcy Court, an order was entered establishing deadlines for the Adversary Proceeding [Docket No. 18] as set forth below.

Deadline, Hearing or Event	Date
Deadline for MasTec to serve responsive pleading	June 20, 2025
Deadline for Debtors to file responsive pleading to counterclaims	July 3, 2025
Deadline for Parties to disclose the identity of individuals with relevant knowledge that they may call	July 8, 2025
Deadline for Parties to serve affirmative expert reports responsive to the pleadings in the Adversary Proceeding, if any	July 18, 2025 (with disclosure of the subject of any new expert topics by July 9)
Deadline to complete document production	August 5, 2025
Deadline to serve rebuttal expert reports to those served in District Court (rebuttal reports can be updated to include any relevant fact discovery that occurs following their original submission)	August 8, 2025
Deadline to serve rebuttal expert reports to affirmative expert reports responsive to pleadings in the Adversary Proceeding, if any	August 11, 2025
Deadline to complete fact discovery	August 15, 2025
Deadline to complete expert depositions	August 22, 2025
Deadline to file dispositive motions (if any)	August 29, 2025
Deadline to file objections to dispositive motions (if any)	September 12, 2025
Deadline to file replies to dispositive motions (if any)	September 19, 2025
Hearing on any dispositive motions	September 23, 2025, at 1:00 p.m. (CST)
Deadline for Parties to identify and exchange initial exhibits, deposition designations, and initial witness lists	October 1, 2025
Deadline to serve objections to exhibits and designations; deadline to serve counter-counter designations; deadline to inform opposing party of the	October 8, 2025

topic of any proposed motions <i>in limine</i> for purposes of meeting and conferring	
Meet and confer on pretrial issues and pretrial order	October 10, 2025
Deadline for Parties to submit to the Bankruptcy Court any disputes for pretrial disposition	October 15, 2025
Pretrial conference with Bankruptcy Court to resolve any pretrial disputes	October 17, 2025, at 10:00 a.m. (CST)
Trial commencement	October 21, 2025

On June 20, 2025, MasTec filed *MasTec's Answer, Affirmative Defenses, and Counterclaims* [Docket No. 19] (as amended, the "MasTec Answer") denying that Ascend Operations is entitled to the relief requested in the Adversary Complaint, asserting various affirmative defenses, and asserting counterclaims seeking declaratory judgement that, among other requested relief, (i) MasTec's lien on the Power Plant is valid and has priority over other liens on the property, (ii) Ascend Operations's draw of the MasTec Letter of Credit was improper and amounted to breach of contract, (iii) MasTec is entitled to the MasTec LOC Proceeds as a result of the alleged breach of contract, and (iv) even if the MasTec LOC Proceeds are found to be property of Ascend Operations's estate, that certain amounts of the MasTec LOC Proceeds constitute cash collateral under section 363(a) of the Bankruptcy Code. On July 3, 2025, Ascend Operations filed an answer to MasTec's counterclaims [Docket No. 23] (the "Ascend Answer") generally denying and disputing MasTec's counterclaims and asserting various affirmative defenses. On July 11, 2025, MasTec filed an amended version of the MasTec Answer [Docket No. 25], and on July 24, 2025, Ascend Operations filed an amended version of the Ascend Answer [Docket No. 26]. The Adversary Proceeding is ongoing as of the date thereof.

K. Decatur Fire.

In the weeks after the Petition Date, a transformer at Ascend's Decatur facility caught fire during a reactor startup following a routine ADN reactor package change. The fire damaged certain of the facility's rectifiers, which help manage power fluctuations and ensure optimal conditions for chemical reactions. Relevant property insurance carriers were promptly notified, and the site is expediting any potential insurance claims arising out of damage caused by the fire. The Company is continuing to assess the long-term impact of the incident and evaluating next steps to minimize operational disruption.

L. Extension of Certain Key Dates.

1. Removal Period

On July 16, 2025, the Debtors filed the *Debtors' Motion for Entry of an Order (I) Extending the Time Within Which the Debtors May Remove Actions and (II) Granting Related Relief* [Docket No. 663] (the "Removal Extension Motion"), seeking authority to extend the period of time set forth in Bankruptcy Rule 9027(a)(2)–(3) during which the Debtors may seek removal of certain actions pursuant to 28 U.S.C. § 1452 up to and including November 18, 2025. On

August 11, 2025, the Bankruptcy Court entered an order approving the Removal Extension Motion [Docket No. 726].

M. The Special Committee's Independent Investigation.

As described in Article VI.C herein, prior to the Petition Date, the Boards established the Special Committee at each Board and appointed the Disinterested Directors to the Boards and the Special Committee. The Boards delegated to the Special Committee the authority to, on behalf of each Board, take any and all actions with respect to Conflicts Matters. As part of its delegated authority, the Special Committee: (a) is authorized to investigate and determine, in the Special Committee's business judgment, whether any matter arising in or related to a restructuring transaction constitutes a Conflicts Matter, and such determination is binding on each of the Debtors; and (b) has exclusive authority and power to review, discuss, consider, negotiate, approve, and authorize the Debtors' entry into, and consummation of, a restructuring transaction, solely to the extent that all or a portion of the transaction constitutes a Conflicts Matter.

In addition, the Boards delegated to the Special Committee the authority to conduct an independent investigation into whether the Debtors hold potentially valuable and viable claims or causes of action against Related Parties regarding certain prepetition transactions involving Related Parties (the "Independent Investigation"). The Disinterested Directors retained Katten and Province as independent counsel and independent financial advisor, respectively, to assist in carrying out their responsibilities with respect to the Conflicts Matters, including the Independent Investigation.

The Disinterested Directors, with the assistance of Katten, began conducting the Independent Investigation prepetition and have continued during the course of the Chapter 11 Cases. During the Chapter 11 Cases, the Disinterested Directors retained Province to provide independent financial advisory services in connection with the Conflicts Matters, including the Independent Investigation. In furtherance of the Independent Investigation, the Disinterested Directors, working with Katten and Province, have carried out extensive diligence into the matters subject to the Independent Investigation. Specifically, the Disinterested Directors have issued numerous document and information requests to the Debtors and SK Capital seeking, among other things, board materials and minutes, corporate governance documents, transaction documents, financial and accounting information, correspondence, electronic communications, and other documents and information relevant to the Independent Investigation.²⁴ To date, Katten and/or Province have: (a) received and reviewed over 120,000 documents and electronic communications, totaling more than 760,000 pages, produced by the Debtors in response to the Disinterested Directors' requests and/or requests from the Committee; (b) received and reviewed over 5,600 documents and electronic communications, totaling more than 35,000 pages, produced by SK Capital in response to the Disinterested Directors' requests and/or requests from the Committee; and (c) received access to a virtual data room maintained by the Company for various lender and creditor groups. In addition, Katten has interviewed certain current and former officers of Ascend and a principal of SK Capital.

The Disinterested Directors have met with Katten and, upon its retention, Province, on a weekly basis (or as often as the matter circumstances have dictated) to direct the Independent Investigation and obtain updates on the workstreams and findings from the Independent Investigation. Katten has also been in communication with the Ad Hoc Group and the Committee since the Committee's appointment, including to apprise the Ad Hoc Group and the Committee on the general scope and status of the

²⁴ Province, on behalf of the Disinterested Directors, has made separate document requests to the Debtors and the Debtors' advisors as part of its analysis of Ascend's financial condition and the economic terms of certain matters subject to the Independent Investigation.

Independent Investigation. These efforts have included providing non-privileged documents collected in connection with the Independent Investigation and coordinating on further document collection and information-gathering efforts with the Committee.

To date, the Special Committee has investigated everything within its mandate, including the following types of transactions (the “Investigation Topics”): (a) distributions, dividends, payments, and other transfers to Related Parties of the Debtors; (b) management and oversight of the Company’s business leading to the Chapter 11 Cases; (c) use of Company assets by Related Parties and entry into Related Party transactions; and (d) lender communications related to the Company’s financial condition.

In connection with the Independent Investigation, the Disinterested Directors, working with Katten and Province, are analyzing whether there are any valuable and viable Claims and Causes of Action held by the Debtors’ Estates relating to the Investigation Topics. As of the date hereof, the Independent Investigation remains ongoing. On July 30, 2025, the Debtors, with the assistance of the Special Committee, entered into a Tolling Agreement with SK Capital, which tolls the statutes of limitations for all Claims²⁵ (including those related to the Investigation Topics) for three months from the date of entry into such agreement.

The description herein of transactions and potential Claims and Causes and Action examined as part of the Independent Investigation is not exhaustive, and the Disinterested Directors, working with Katten and Province, are continuing to examine additional claims and causes of action against Related Parties. The releases and exculpations contemplated by the Plan will remain subject to the final results of the Independent Investigation, among other considerations as further detailed in the Plan. The outcome of the Independent Investigation could result in material modifications to the Plan, including, without limitation, changes to the release and exculpation provisions.

N. Vendor Motions.

1. BP Assumption

On May 19, 2025, the Debtors filed *Debtors’ Motion for Entry of an Order (I) Authorizing Assumption of the BP Agreements and (II) Granting Related Relief* [Docket No. 326] (the “BP Agreement Assumption Motion”), seeking to assume certain agreements entered into by and between Debtor Ascend Performance Materials Operations LLC and BP Energy Company (“BP”) related to the sale and purchase of natural gas, and certain asset management agreements, credit support addendums, and all related agreements entered into in connection with the foregoing. Under the aforementioned contracts, BP supplies the Debtors with all the natural gas required to operate their Decatur and Pensacola facilities. In light of the importance of this supply of natural gas to the Debtors, the lack of a feasible alternative provider to BP, and BP’s focus on obtaining certainty on whether the Debtors’ would assume the aforementioned agreements, both parties felt that it was in their best interests for the Debtors to seek to assume their contracts with BP. As part of the agreement between the parties, which included the Debtors’ assumption of their contracts with BP, BP agreed to waive the \$11 million prepetition margin call it had made against the Debtors prior to the Petition Date and agreed to keep certain existing contract prices and payment terms

²⁵ Pursuant to the Tolling Agreement, “Claims” are defined as any and all actual, intended, or potential claims, actions, causes of action, charges, complaints, rights, demands, disputes, suits, counterclaims, cross-claims, third-party claims, contentions, allegations, assertions of wrongdoing, agreements, rights, obligations, duties, debts, covenants, contracts, controversies, demands (for indemnification, contribution, or otherwise), promises, liabilities, and/or any other statutory, regulatory, administrative, common law, or equitable theory and/or cause of action of any kind whatsoever under the law of any jurisdiction.

the same throughout the existing term of the agreements. On, June 12, 2025, the Bankruptcy Court entered an order approving the BP Agreement Assumption Motion on a final basis [Docket No. 461].

2. Motions to Compel

Since the Petition Date, various vendors and contractors have filed motions to compel against the Debtors.

- On April 29, 2025, Diamondback Works, L.P. (“Diamondback”) filed a motion [Docket No. 184] seeking: (a) to compel the Debtors to assume or reject a contract for construction, (b) provide adequate assurance of payment, and (c) to direct the Debtors to pay all prepetition and postpetition amounts due under the aforementioned contract. Later that same day, Diamondback withdrew the motion to compel [Docket No. 191].
- On July 7, 2025, Siemens Energy Inc. (“Siemens”) filed a motion [Docket No. 601] seeking: to compel the Debtors to assume or reject a service agreement for one of the Debtor’s facilities. Siemens filed an amended motion [Docket No. 683] on July 24, 2025. On August 4, 2025, Siemens withdrew the motion to compel.
- On July 15, 2025, Kinder Morgan filed a motion [Docket No. 635]: (a) seeking to compel the Debtors to assume or reject certain agreements they have with Kinder Morgan for the provision of goods and the use of certain facilities, or (b) in the alternative, grant Kinder Morgan the authority to setoff obligations incurred pursuant to the agreement for use of certain facilities against prepayments made by the Debtors to Kinder Morgan and grant administrative expense priority for all additional obligations. On August 5, 2025, the Debtors filed an objection [Docket No. 717] to Kinder Morgan’s motion to compel arguing the Bankruptcy Code affords them until confirmation of a plan to assume or reject executory contracts, and that a premature decision to reject or assume would complicate the Debtors’ Chapter 11 Cases. A hearing with respect to Kinder Morgan’s motion to compel was scheduled for August 11, 2025 [Docket No. 692] and has been adjourned to August 18, 2025 [Docket No. 725].

3. Perfections of Liens and Administrative Claims

Since the Petition Date, various of the Debtors’ vendors have filed notices of perfection of lien to preserve, perfect, maintain, and continue their respective rights in given property and owed payments and in compliance with state lien law and the Bankruptcy Code [Docket Nos. 164, 189, 213, 220, 221, 294, 395, 536, 584, 676, 677, 719]. Certain vendors have also filed claims for administrative expenses or requests to allow administrative claims against the Debtors [Docket Nos. 423, 681]. Certain of these liens and claims were withdrawn following good-faith arms’ length negotiations between the Debtors and such parties [Docket Nos. 500, 542, 568, 620, 698].

VIII. RISK FACTORS

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

A. Bankruptcy Law Considerations.

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

1. The Debtors Will Consider All Available Restructuring Alternatives if the Restructuring Transactions are Not Implemented, and Such Alternatives May Result in Lower Recoveries for Holders of Claims Against and Interests in the Debtors.

If the Restructuring Transactions are not implemented, the Debtors will consider all available restructuring alternatives, including filing an alternative chapter 11 plan, converting to a chapter 7 plan, commencing section 363 sales of the Debtors' assets and any other transaction that would maximize the value of the Debtors' estates. The Debtors believe that any alternative restructuring proposal will be less favorable to Holders of Claims against and Interests in the Debtors than the Plan as described in this Disclosure Statement.

- Any material delay in the confirmation of the Plan, the Chapter 11 Cases, or the threat of rejection of the Plan by the Bankruptcy Court, would add substantial expense and uncertainty to the process.
- The uncertainty surrounding a prolonged restructuring would have other adverse effects on the Debtors, including:
 - The Debtors' ability to raise additional capital;
 - The Debtors' liquidity;
 - How the Debtors' business is viewed by regulators, investors, lenders, and credit rating agencies;
 - The Debtors' enterprise value; and
 - The Debtors' business relationship with customers and vendors.

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

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an equity interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. The Debtors believe that the classification of the Claims and Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because the Debtors created Classes of Claims and Interests each encompassing Claims or Interests, as applicable, that are substantially similar to the other Claims or Interests, as applicable, in each such Class. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion. Although the Debtors believe that the classifications of Claims and Interests under the Plan complies with the requirements set forth in the Bankruptcy Code, Holders could challenge the classifications. In such event, the cost of the Plan and the time needed to confirm the Plan may increase, and the Debtors cannot be sure that the Bankruptcy Court will agree with the Debtors' classification of Claims and Interests. If the Bankruptcy Court concludes that any classification of Claims or Interests under the Plan does not comply with the requirements of the Bankruptcy Code, the Debtors may need to modify the Plan. Such modification could require a

resolicitation of votes on the Plan. The Plan may not be confirmed if the Bankruptcy Court determines that the Debtors' classifications of Claims and Interests is not appropriate.

3. The Debtors May Exhaust their Cash Collateral or Postpetition Financing.

If the Chapter 11 Cases take longer than expected to conclude, the Debtors may exhaust their available cash collateral and postpetition financing. There is no assurance that the Debtors will be able to obtain an extension of the right to obtain further postpetition financing and/or use cash collateral, in which case, the liquidity necessary for the orderly functioning of the Debtors' businesses may be impaired materially.

4. The Debtors May Fail to Satisfy Vote Requirements.

If votes are received in number and amount sufficient to enable the Bankruptcy Court to confirm the Plan, the Debtors intend to seek, as promptly as practicable thereafter, Confirmation of the Plan. In the event that sufficient votes are not received, the Debtors may seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or may seek to confirm an alternative chapter 11 plan or transaction. There can be no assurance that the terms of any such alternative chapter 11 plan or other transaction would be similar or as favorable to the holders of Interests and Allowed Claims as those proposed in the Plan, and the Debtors do not believe that any such transaction exists or is likely to exist that would be more beneficial to the Estates than the Plan.

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

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

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

There can be no assurance that the requisite acceptances to confirm the Plan will be received. Even if the requisite acceptances are received, there can be no assurance that the Bankruptcy Court will confirm the Plan. A non-accepting holder of an Allowed Claim might challenge either the adequacy of this Disclosure Statement or whether the balloting procedures and voting results satisfy the requirements of the Bankruptcy Code or Bankruptcy Rules. Even if the Bankruptcy Court determines that this Disclosure Statement, the balloting procedures, and voting results are appropriate, the Bankruptcy Court could still

decline to confirm the Plan if it finds that any of the statutory requirements for Confirmation are not met. If a chapter 11 plan of reorganization is not confirmed by the Bankruptcy Court, it is unclear whether the Debtors will be able to reorganize their business and what, if anything, holders of Interests and Allowed Claims against them would ultimately receive.

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

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

As more fully set forth in Article IX of the Plan, the Effective Date of the Plan is subject to a number of conditions precedent. If such conditions precedent are not met or waived, the Effective Date will not take place. In the event that the Effective Date does not occur, the Debtors may seek Confirmation of a new plan. If the Debtors do not have sufficient working capital to continue their operations or if the new plan is not confirmed, the Debtors may be forced to liquidate their assets.

7. Continued Risk After Consummation.

Even if the Plan is consummated, the Debtors will continue to face a number of risks, including certain risks that are beyond their control, such as further deterioration or other changes in economic conditions, including tariffs, changes in the industry, potential revaluing of their assets due to chapter 11 proceedings, changes in demand for the Debtors' products and services, and increasing expenses. *See Article VIII* of this Disclosure Statement, entitled "Risk Factors." Some of these concerns and effects typically become more acute when a case under the Bankruptcy Code continues for a protracted period without indication of how or when the case may be completed. As a result of these risks and others, there is no guarantee that a chapter 11 plan of reorganization reflecting the Plan will achieve the Debtors' stated goals.

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

8. The Chapter 11 Cases May Be Converted to Cases under Chapter 7 of the Bankruptcy Code or One or More of the Chapter 11 Cases May Be Dismissed.

If the Bankruptcy Court finds that it would be in the best interest of creditors and/or the debtor in a chapter 11 case, the Bankruptcy Court may convert a chapter 11 bankruptcy case to a case under chapter 7 of the Bankruptcy Code. In such event, a chapter 7 trustee would be appointed or elected to liquidate the debtor's assets for distribution in accordance with the priorities established by the Bankruptcy Code. The Debtors believe that liquidation under chapter 7 would result in significantly smaller distributions being made to creditors than those provided for in a chapter 11 plan because of: (a) the likelihood that the assets would have to be sold or otherwise disposed of in a disorderly fashion over a short period of time, under potentially unfavorable market conditions, rather than reorganizing or selling the business as a going concern at a later time in a controlled manner; (b) additional administrative expenses involved in the appointment of a chapter 7 trustee; and (c) additional expenses and Claims, some of which

would be entitled to priority, that would be generated during the liquidation, including Claims resulting from the rejection of Unexpired Leases and other Executory Contracts in connection with cessation of operations.

Additionally, if the Bankruptcy Court finds that the Debtors have incurred substantial or continuing loss or diminution to the estate and no reasonable likelihood of rehabilitation of the Debtors or the ability to effectuate substantial consummation of a confirmed plan, or otherwise determines that cause exists, the Bankruptcy Court may dismiss one or more of the Chapter 11 Cases. In such event, the Debtors would be unable to confirm the Plan with respect to the applicable Debtor or Debtors, which may ultimately result in significantly smaller distributions to creditors than those provided for in the Plan.

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

Except as otherwise provided in the Plan, the Debtors reserve the right to object to the amount or classification of any Claim under the Plan. The estimates set forth in this Disclosure Statement cannot be relied upon by any holder of a Claim where such Claim is subject to an objection. Any holder of a Claim that is subject to an objection thus may not receive its expected share of the estimated distributions described in this Disclosure Statement.

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

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

The releases provided to the Released Parties and the exculpation provided to the Exculpated Parties are necessary to the success of the Debtors' reorganization because the Released Parties and Exculpated Parties have made contributions to the Debtors' reorganizational efforts that are important to the success of the Plan and have agreed to make further contributions. The Plan's release and exculpation provisions are an inextricable component of the Plan and the significant deleveraging and financial benefits that they embody.

11. The Debtors Cannot Predict the Amount of Time Spent in Bankruptcy for the Purpose of Implementing the Plan, and a Lengthy Bankruptcy Proceeding Could Disrupt the Debtors' Businesses as Well as Impair the Prospect for Reorganization on the Terms Contained in the Plan.

Although the Debtors propose to complete the process of obtaining Confirmation and Consummation of the Plan within 190 days from the Petition Date, the process could last considerably longer if, for example, Confirmation is contested or the conditions to Confirmation or Consummation are not satisfied or waived.

While the Debtors have made efforts to minimize the length of the Chapter 11 Cases, it is impossible to predict with certainty the amount of time that the Debtors may spend in bankruptcy, and the Debtors cannot be certain that the Plan will be confirmed. Even if confirmed on a timely basis, a bankruptcy proceeding to confirm the Plan could itself have an adverse effect on the Debtors' businesses. There is a risk, due to uncertainty about the Debtors' futures that, among other things:

- employees could be distracted from performance of their duties or more easily attracted to other career opportunities; and
- suppliers, vendors, or other business partners could terminate their relationship with the Debtors or demand financial assurances or enhanced performance, any of which could impair the Debtors' prospects and ability to generate stable, recurring cash flows from long-term contracts with established customers.

Lengthy Chapter 11 Cases also would involve additional expenses, putting strain on the Debtors' liquidity position, and potentially diverting the attention of management from the operation of the Debtors' businesses.

The disruption that the bankruptcy process would have on the Debtors' businesses could increase with the length of time it takes to complete the Chapter 11 Cases. If the Debtors are unable to obtain Confirmation of the Plan on a timely basis, because of a challenge to the Plan or otherwise, the Debtors may be forced to operate in bankruptcy for an extended period of time while they try to develop a different plan of reorganization that can be confirmed. A protracted bankruptcy case could increase both the probability and the magnitude of the adverse effects described herein.

12. The Total Amount of Allowed Administrative and Priority Claims May Be Higher Than Anticipated by the Debtors.

Allowed Administrative Claims and Allowed Priority Claims may be higher than anticipated. Accordingly, there is a risk that the Debtors will not be able to pay in full in cash all Administrative Claims and Priority Claims on the Effective Date as is required to confirm a chapter 11 plan.

13. Risk of Non-Occurrence of the Effective Date.

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

14. Necessary Governmental Approvals May Not be Granted.

Consummation of the Restructuring Transactions may depend on approvals required by certain Governmental Units. Failure by any Governmental Unit to grant a necessary approval could prevent Consummation of the Restructuring Transactions and Confirmation of the Plan.

15. Other Parties in Interest Might Be Permitted to Propose Alternative Plans of Reorganization that May be Less Favorable to Certain of the Debtors' Constituencies than the Plan.

Other parties in interest could seek authority from the Bankruptcy Court to propose an alternative plan of reorganization to the Plan. Under the Bankruptcy Code, a debtor in possession initially has the exclusive right to propose and solicit acceptances of a plan of reorganization for a period of 120 days from the petition date. Such exclusivity period can be reduced or terminated upon order of the Bankruptcy Court. If such an order were to be entered, parties in interest other than the Debtors would then have the opportunity to propose alternative plans of reorganization. If another party in interest were to propose an alternative plan of reorganization following expiration or termination of the Debtors' exclusivity period, such a plan may be less favorable to existing Holders of Claims or Interests. The Debtors consider maintaining relationships with their stakeholders, customers, and other partners as critical to maintaining the value of their enterprise following the Effective Date and have sought to treat those constituencies accordingly.

Proponents of alternative plans of reorganization, however, may not share the Debtors' assessments and may seek to impair the Claims or Interests of such constituencies to a greater degree. If there were competing plans of reorganization, the Chapter 11 Cases likely would become longer, more complicated, more litigious, and more expensive. If this were to occur, or if the Debtors' stakeholders or other constituencies important to the Debtors' business were to react adversely to an alternative plan of reorganization, the adverse consequences discussed herein could also occur.

B. Risks Related to Recoveries under the Plan.

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

The Reorganized Debtors may not be able to achieve their projected financial results. The Debtors' management, in consultation with the Debtors' advisors, will prepare and file certain financial projections (the "Financial Projections"). The Financial Projections represent the Debtors' management team's best estimate of the Debtors' future financial performance, which is necessarily based on certain assumptions regarding the anticipated future performance of the Reorganized Debtors' operations, the United States and world economies in general, and the industry segments in which the Debtors operate in particular. If the Reorganized Debtors do not achieve their projected financial results, the value of the New Interests may be negatively affected and the Reorganized Debtors may lack sufficient liquidity to continue operating as planned after the Effective Date. Moreover, the financial condition and results of operations of the Reorganized Debtors from and after the Effective Date may not be comparable to the financial condition or results of operations reflected in the Debtors' historical financial statements.

2. The Equity Rights Offering, the Exit Holdco Loan Conversion (to the extent applicable), the Debt Rights Offering, the DIP Term Loan Distribution, and the Management Incentive Plan May Dilute Recoveries to Holders of Allowed Term Loan Claims.

As described more fully in Articles IV.A.4 and XI of this Disclosure Statement, the Debtors will conduct the Equity Rights Offering, and unless otherwise determined by the Debtors, it is expected that the Equity Rights Offering will commence as soon as reasonably practicable after the [date of entry of the Disclosure Statement Order]. On the Effective Date, the Debtors or the Reorganized Debtors, as applicable, will issue the Rights Offering Interests in accordance with the Equity Rights Offering Documents. Pursuant to the Plan and the Equity Rights Offering Documents, the Debtors or the Reorganized Debtors, as applicable, will distribute the Equity Subscription Rights and allow for the exercise of the Equity Subscription Rights on or prior to the Effective Date in accordance with the Equity Rights Offering Documents in an aggregate amount equal to the Equity Rights Offering Amount.

The Debtors will conduct the Debt Rights Offering, and, unless determined otherwise by the Debtors and the Required DIP Term Loan Lenders, it is expected that the Debt Rights Offering will commence as soon as reasonably practicable after the [Confirmation Date]. On the Effective Date, the Debtors or the Reorganized Debtors, as applicable, will enter into the Exit Holdco Loan Facility in accordance with the Debt Rights Offering Documents and the Debt Rights Offering Participants will fund the Exit Holdco Loan Facility as set forth in Article IV.A.4.

Finally, on or after the Effective Date, the New Board shall adopt the Management Incentive Plan, consistent with the MIP Term Sheet, which shall be included in the Plan Supplement.

The New Interests to be issued with respect to the Term Loan Equity Distribution are subject to dilution on account of the New Interests issued in connection with the Equity Rights Offering, the DIP

Equity Recovery, the Exit Holdco Loan Conversion (to the extent applicable) and the equity interests issued under the Management Incentive Plan. Further, after the Effective Date, additional New Interests may be issued from time to time, including through conversion of any other options, warrants, convertible securities, exercisable securities, or other securities that may result in the issuance of New Interests (or securities senior to the New Interests), which may further dilute the holders of New Interests on the Effective Date.

3. Contingencies Could Affect Distributions to Holders of Allowed Claims Under the Plan.

The distributions available to holders of Allowed Claims under the Plan can be affected by a variety of contingencies, including, without limitation, whether the Bankruptcy Court orders certain Allowed Claims to be subordinated to other Allowed Claims. The occurrence of any and all such contingencies, which could affect distributions available to holders of Allowed Claims under the Plan, will not affect the validity of the vote taken by the Impaired Classes to accept or reject the Plan or require any sort of revote by the Impaired Classes.

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

4. Estimated Recoveries to Holders of Allowed Claims and Interests Are Not Intended to Represent Potential Market Values.

The Debtors' estimated recoveries to Holders of Allowed Claims and Allowed Interests are not intended to represent the market value of the Debtors' Securities. In addition, the estimated total enterprise value of the Reorganized Debtors does not reflect the market value of the Debtors' Securities. The estimated recoveries are based on numerous assumptions (the realization of many of which will be beyond the control of the Debtors), including: (a) the successful reorganization of the Debtors; (b) an assumed date for the occurrence of the Effective Date; (c) the Debtors' ability to achieve the operating and financial results included in the Financial Projections; (d) the Debtors' ability to maintain adequate liquidity to fund operations; (e) the assumption that capital and equity markets remain consistent with current conditions; and (f) the Debtors' ability to maintain critical existing customer relationships, including customer relationships with key customers.

5. A Liquid Trading Market for the Shares of New Interests May Not Develop.

The New Interests will be new issuances of Securities and are expected to consist primarily of "restricted securities" under the Securities Act (as discussed further below), and there is no established trading market for those Securities. An active trading market for those securities may never develop or, if developed, may not be sustained. The Debtors do not intend to apply for the New Interests to be listed on any securities exchange or to arrange for quotation on any automated dealer quotation system. The liquidity of any market for New Interests will depend upon, among other things, the number of holders of New Interests, the Reorganized Debtors' financial performance, and the market for similar securities, none of which can be determined or predicted. Accordingly, there can be no assurance that an active trading market for the New Interests will develop, nor can any assurance be given as to the liquidity or prices at which such securities might be traded. In the event an active trading market does not develop, the ability to transfer

or sell New Interests may be substantially limited. The lack of an active market may also impair your ability to sell your New Interests at the time you wish to sell them or at a price you consider reasonable. The lack of an active market may also reduce the market price of the New Interests. Accordingly, you may be required to bear the financial risk of your ownership of the New Interests indefinitely. Further, transfers of the New Interests held by certain holders will be subject to transfer restrictions under applicable securities laws and/or the New Organizational Documents.

The issuance of the New Interests and restrictions on transfer discussed in more detail in Article XI to this Disclosure Statement, entitled “Certain Securities Law Matters.”

6. Certain of the New Interests Issued Under the Plan May Not Be Resold or Otherwise Transferred Unless They Are Registered Under the Securities Act or an Exemption from Registration Applies.

Upon the Effective Date, to the extent permitted and available, New Interests may be issued in reliance on section 1145(a) of the Bankruptcy Code to exempt from registration under the Securities Act and Blue-Sky Laws the offer, issuance and distribution of New Interests. Holders of New Interests who are deemed to be “underwriters” under section 1145(b) of the Bankruptcy Code will also be subject to restrictions under the Securities Act on their ability to resell those securities.

However, certain New Interests issued pursuant to the Plan, including pursuant to the Equity Rights Offering, Management Incentive Plan, and the Exit Holdco Loan Conversion (to the extent applicable) are expected to be issued pursuant to section 4(a)(2) under the Securities Act and will be deemed “restricted securities” that may not be sold, exchanged, assigned, or otherwise transferred unless they are registered, or an exemption from registration applies, under the Securities Act. Holders of such restricted securities may not be entitled to have their “restricted securities” registered under the Securities Act and will be required to agree not to resell them except in accordance with an available exemption from registration under the Securities Act or applicable Securities Laws.

Under Rule 144 of the Securities Act, the resale of restricted securities is permitted if certain conditions are met, and these conditions vary depending on whether the holder of the restricted securities is an “affiliate” of the issuer, as defined in Rule 144. A non-affiliate who has not been an affiliate of the issuer during the preceding ninety days may resell restricted securities after a one-year holding period. An affiliate may also resell restricted securities after a one year holding period but only if certain current public information regarding the issuer is available at the time of the sale and only if the affiliate also complies with the volume, manner of sale, and notice requirements of Rule 144 since such securities would be considered “control securities” under the Securities Act. Since the Reorganized Debtors intend to continue and emerge from these Chapter 11 Cases as a private company on the Effective Date, the New Interests will not be listed on a national securities exchange and the Reorganized Debtors will not be voluntarily subject to any reporting or registration requirements promulgated by the SEC, there can be no assurance that there will be current public information available about the issuer of the New Interests in the future.

The Debtors make no representation regarding the right of any holder of New Interests to freely resell or transfer the New Interests. The issuance of the New Interests and restrictions on transfer discussed in more detail in Article XI to this Disclosure Statement, entitled “Certain Securities Law Matters.”

7. Holders of the New Interests May Not Have Access to the Same Level of Information Available to Holders of Registered Securities.

The New Interests will not be registered under the Securities Act or any state securities laws. As a result, the Reorganized Debtors will not be subject to the reporting requirements of the Securities Act or

the Exchange Act, and the information available to holders of the New Interests may be less than would be required if the New Interests were registered. Such a reduced availability of information could impair your ability to evaluate your ownership and the marketability or transferability of the New Interests.

8. The Debtors Could Modify the Equity Rights Offering or Debt Rights Offering.

The Equity Rights Offering and Debt Rights Offering, including any procedures related thereto, in each case, may be modified from time to time to, among other things, include additional requirements or procedures to effectuate the Restructuring Transactions. Such modifications may adversely affect the rights of any participants.

9. Certain Significant Holders of Shares of New Interests May Have Substantial Influence Over the Reorganized Debtors Following the Effective Date.

Assuming that the Effective Date occurs, holders of Claims who receive a substantial percentage of the outstanding New Interests, including the Rights Offering Interests, may be in a position to influence matters requiring approval by the holders of New Interests, including, among other things, the election or removal of the general partner of Reorganized Ascend and the approval of a merger or consolidation or the sale of all or substantially all of our assets. Any such approvals may result in the change of control of the Reorganized Debtors or their assets. The new controlling holders may have interests that differ from those of the other holders of New Interests and may vote in a manner adverse to the interests of other holders of New Interests. This concentration of ownership may facilitate or may delay, prevent, or deter a significant corporate transaction or change of control of the Reorganized Debtors and consequently impact the value of the New Interests. In addition, a holder of a significant number of New Interests may sell all or a large portion of its New Interests within a short period of time, which sale may adversely affect the trading price of the New Interests. A holder of a significant number of New Interests may, on its own account, pursue acquisition opportunities that may be complementary to the Reorganized Debtors' businesses, and as a result, such acquisition opportunities may be unavailable to the Reorganized Debtors if not first presented to the Reorganized Debtors, and the holders of New Interests may not be required to present any business opportunities to the Reorganized Debtors before first pursuing such opportunities for their own purposes. Such actions by holders of a significant number of New Interests may have a material adverse impact on the Reorganized Debtors' businesses, financial condition, and operating results.

10. A Decline in the Reorganized Debtors' Credit Ratings Could Negatively Affect the Debtors' Ability to Refinance Their Debt.

The Debtors' or the Reorganized Debtors' credit ratings could be lowered, suspended, or withdrawn entirely at any time if, in each rating agency's judgment, circumstances warrant, including as a result of exposure to the credit risk and the business and financial condition of the Debtors or the Reorganized Debtors, as applicable. Downgrades in the Reorganized Debtors' long-term debt ratings may make it more difficult to refinance their debt and increase the cost of any debt that they may incur in the future.

11. The Terms of the New Organizational Documents Are Subject to Change Based on Negotiations and the Approval of the Bankruptcy Court.

The terms of the New Organizational Documents are subject to change based on negotiations between the Debtors and certain expected holders of New Interests after the Effective Date, including certain significant holders. Holders of Claims that may not participate in these negotiations and the results of such negotiations may affect the rights of holders of New Interests in the Reorganized Debtors following the Effective Date.

12. Certain Tax Implications of the Plan.

Holders of Allowed Claims should carefully review Article XII of this Disclosure Statement entitled “Certain U.S. Federal Income Tax Consequences of the Plan” to determine how the tax implications of the Plan and the Chapter 11 Cases may affect the Debtors, the Reorganized Debtors, and Holders of Claims, as well as certain tax implications of owning and disposing of the consideration to be received pursuant to the Plan.

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

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

The Reorganized Debtors’ ability to make scheduled payments on their debt obligations depends on their financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to certain financial, business, and other factors beyond the Reorganized Debtors’ control. The Reorganized Debtors may not be able to maintain a level of cash flow from operating activities sufficient to permit them to pay the principal, premium, if any, and interest on their debt, including, without limitation, anticipated borrowings under the Exit ABL Facility, and the Exit Holdco Loan Facility upon emergence. If cash flows and capital resources are insufficient to fund the Reorganized Debtors’ debt obligations, they could face substantial liquidity problems and might be forced to reduce or delay investments and capital expenditures or to dispose of assets or operations, seek additional capital, or restructure or refinance debt, including the Exit ABL Facility, and the Exit Holdco Loan Facility. These alternative measures may not be successful, may not be completed on economically attractive terms, or may not be adequate to satisfy their debt obligations when due. Further, if the Reorganized Debtors suffer or appear to suffer from a lack of available liquidity, the evaluation of their creditworthiness by counterparties and rating agencies and the willingness of third parties to do business with them could be adversely affected.

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

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

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

For the duration of the Chapter 11 Cases, the Debtors’ ability to operate, develop, and execute a business plan and continue as a going concern will be subject to the risks and uncertainties associated with bankruptcy. These risks include the following: (a) the ability to develop, confirm, and consummate the Restructuring Transactions specified in the Plan; (b) the ability to obtain Bankruptcy Court approval with

respect to motions filed in the Chapter 11 Cases from time to time; (c) the ability to maintain relationships with suppliers, vendors, service providers, customers, employees, and other third parties; (d) the ability to maintain contracts that are critical to the Debtors' operations; (e) the ability of third parties to seek and obtain Bankruptcy Court approval to terminate contracts and other agreements with the Debtors; (f) the ability of third parties to seek and obtain Bankruptcy Court approval to terminate or shorten the exclusivity period for the Debtors to propose and confirm a chapter 11 plan, to appoint a chapter 11 trustee, or to convert the Chapter 11 Cases to chapter 7 proceedings; and (g) the actions and decisions of the Debtors' creditors and other third parties who have interests in the Chapter 11 Cases that may be inconsistent with the Debtors' business plan.

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

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

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

So long as the Chapter 11 Cases continue, the Debtors may be required to incur substantial costs for professional fees and other expenses associated with the administration of the Chapter 11 Cases. If the Chapter 11 Cases last longer than anticipated, the Debtors will require additional debtor-in-possession financing to fund the Debtors' operations. If the Debtors are unable obtain such financing in those circumstances, the chances of successfully reorganizing the Debtors' business may be seriously jeopardized, the likelihood that the Debtors will instead be required to liquidate or sell their assets may increase, and, as a result, creditor recoveries may be significantly impaired.

Furthermore, the Debtors cannot predict the ultimate amount of all settlement terms for the liabilities that will be subject to a plan of reorganization. Even after a plan of reorganization is approved and implemented, the Reorganized Debtors' operating results may be adversely affected by the possible reluctance of prospective lenders and other counterparties to do business with a company that recently emerged from bankruptcy.

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

During the Chapter 11 Cases, the Debtors expect that their financial results will continue to be volatile as asset impairments, asset dispositions, restructuring activities and expenses, contract terminations and rejections, and/or claims assessments may significantly impact the Debtors' consolidated financial statements. As a result, the Debtors' historical financial performance likely will not be indicative of their financial performance after the Petition Date.

In addition, if the Debtors emerge from chapter 11, the amounts reported in subsequent consolidated financial statements may materially change relative to historical consolidated financial statements, including as a result of revisions to the Debtors' operating plans pursuant to a plan of reorganization. The Debtors also may be required to adopt "fresh start" accounting in accordance with Accounting Standards Codification 852 ("Reorganizations") in which case their assets and liabilities will be recorded at fair value as of the fresh start reporting date, which may differ materially from the recorded values of assets and liabilities on the Debtors' consolidated balance sheets. The Debtors' financial results after the application of fresh start accounting also may be different from historical trends.

Further, the business plan was developed by the Debtors with the assistance of their advisors. Any historical financial information included in the business plan has not been audited. There can be no assurances that the Debtors' business plan will not change, perhaps materially, as a result of decisions that the board of directors may make after fully evaluating the strategic direction of the Debtors and their business plan. Any deviations from the Debtors' existing business plan would necessarily affect the Debtors financial performance. The business plan does not purport to be all-inclusive or to contain all of the information that any person considering an investment in the Reorganized Debtors may require in order to make a full analysis for such investment. No investment or other financial decisions or other actions should be based solely on the information in the business plan.

The Financial Projections that will be filed will be based on assumptions that are an integral part of the projections, including Confirmation and Consummation of the Plan in accordance with its terms, the anticipated future performance of the Debtors, industry performance, general business and economic conditions, and other matters, many of which are beyond the control of the Debtors and some or all of which may not materialize. In addition, unanticipated events and circumstances occurring after the date hereof may affect the actual financial results of the Debtors' operations. These variations may be material and may adversely affect the value of the New Interests and the ability of the Debtors to make payments with respect to their indebtedness. Because the actual results achieved may vary from projected results, perhaps significantly, the Financial Projections should not be relied upon as a guarantee or other assurance of the actual results that will occur.

The Financial Projections that will be filed represent the best estimate of the future financial performance of the Debtors based on currently known facts and assumptions about future operations as well as the United States and world economies in general, and the relevant industries in which the Debtors operate. The actual financial results may differ significantly from the projections. If the Debtors do not achieve their projected financial results, then the value of the Debtors' debt or equity issued pursuant to the Plan may experience a decline, and the Debtors may lack sufficient liquidity to continue operating as planned after the Effective Date. There are numerous factors and assumptions inherent in estimating the Debtors' future financial results, many of which are beyond the Debtors' control.

6. The Debtors' Substantial Liquidity Needs May Impact Debtors' Ability to Operate.

The Debtors operate in a capital-intensive industry. If the Debtors' cash flow from operations remains depressed or decreases, the Debtors' may not have the ability to expend the capital necessary to complete work on any particular project or to improve or maintain their current operations, resulting in decreased revenues over time.

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

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

For the avoidance of doubt, there is no assurance that the Exit ABL Facility, the Equity Rights Offering and/or Debt Rights Offering will provide sufficient capital to operate the Reorganized Debtors' businesses after the Effective Date. In addition, after the Effective Date, the Reorganized Debtors will not be able to provide assurance that additional financing would be available or, if available, offered to the Debtors on acceptable terms.

7. The Debtors' Business is Subject to Complex Laws and Regulations That Can Adversely Affect the Cost, Manner, or Feasibility of Doing Business.

The Debtors' operations and properties are subject to a wide variety of increasingly complex and stringent foreign, federal, state and local environmental laws and regulations, including those relating to pollution and protection of the environment, generation, handling, transportation, treatment, storage, disposal, and cleanup of hazardous substances and wastes; the discharges of waste water; the emission of air pollutants or contaminants; chemical safety regulation and product stewardship, and the health and safety of employees, which may have a substantial impact on Debtors' operations and may result in increases in Debtors' operating costs and capital expenditures and decreases in their earnings and cash flows. Statutes and regulations in these jurisdictions also subject the Debtors to various permitting, certification, and reporting requirements and inspections regarding pollutants, waste materials, safety, training, and general regulatory compliance. These requirements are complex and subject to frequent change as well as new restrictions. The Debtors' businesses often involve working with and in proximity to volatile, toxic, and hazardous substances and other highly regulated pollutants, substances, or wastes for which the improper characterization, handling, or disposal could constitute violations of regulations and laws in countries of operations and result in criminal and civil liabilities. Sanctions for noncompliance may include revocation of permits, corrective action, or other injunctive orders, administrative or civil penalties, criminal prosecution, the imposition of investigatory or remedial obligations, revocation or denial of issuance or renewal of operating permits, or the issuance of orders enjoining performance of some or all of the Debtors' operations. Some environmental laws provide for strict, joint and several liability for

remediation of spills and other releases of hazardous substances as well as for damage to natural resources. The Debtors' compliance with amended, new, or more stringent requirements; stricter interpretations of existing requirements; or the future discovery of contamination may require them to make material expenditures or subject them to liabilities that they currently do not anticipate. In addition, companies may be subject to claims alleging personal injury or property damage as a result of alleged exposure to or presence or release of pollutants, hazardous substances, or wastes. Such laws and regulations may also expose the Debtors to liability for the conduct of or conditions caused by others or for the Debtors' acts that were in compliance with all applicable laws at the time such acts were performed. These liabilities, costs, and expenditures could have a material adverse effect on the business, financial condition, results of operations, and cash flows of the Reorganized Debtors.

In the course of operating the businesses, the Debtors have entered into agreements involving environmental governmental units and third parties to resolve disputes regarding compliance with, and liabilities arising under, applicable environmental laws and regulations. Certain of these agreements impose ongoing obligations on the Debtors to monitor and address environmental conditions.

The Debtors cannot predict the full impact of, or the compliance costs associated with, the application of new and proposed environmental laws and regulations on the Debtors' businesses or any future regulatory and societal developments that might affect the handling, manufacture, or use of the Debtors' products or the handling, use, emission, disposal, and/or cleanup of other materials or hazardous and non-hazardous waste. Because the operation of any chemical manufacturing plant entails risk of adverse environmental events, including exposure to chemical products and by-products and contamination associated with accidental spills, discharges, or other releases of hazardous substances, the Debtors can provide no assurance that material costs or liabilities will not be incurred to remediate any such damage, and the Debtors cannot predict with certainty the extent of any future liabilities and costs that may be imposed by governmental agencies or asserted by third parties under environmental, health, and safety laws and regulations. Accordingly, the application of these laws and regulations to the Debtors' businesses may cause the Debtors to incur significant unanticipated losses, costs, or liabilities, which could have a material adverse effect on the Debtors' businesses, financial condition, and results of operations.

8. The Debtors' Operations Depend on a Limited Number of Key Facilities, and the Loss or Shutdown of Operations at One or More of These Facilities Would Have a Material Adverse Impact.

The Debtors operate three significant processing facilities, which are located in Texas, Alabama, and Florida. The loss or shutdown of operations for any period of time at the Debtors' processing facilities would have a material adverse effect on the Company's financial condition, results of operations, and cash flows. The Debtors' operations, and those of its customers and suppliers, are subject to the usual hazards associated with chemical manufacturing and the related storage and transportation of feedstocks, products, and wastes, including explosions, fires, inclement or extreme weather, natural disasters (including hurricanes and flooding), mechanical failure, pipeline leaks and ruptures, unscheduled downtime, transportation interruptions (including due to third party actions or events), chemical spills, discharges or releases of toxic or hazardous substances or gases, and other environmental risks. These hazards can cause personal injury and loss of life, severely damage or destroy property or cause equipment and environmental damage and may result in suspension of the Debtors' operations and the imposition of civil or criminal penalties.

9. Demand for the Debtors' Products Is Cyclical and Vulnerable to Economic Downturns and Customers' Ability to Meet Existing Payment Obligations.

The domestic energy and industrial sectors have been, and will likely continue to be, cyclical in nature and vulnerable to general downturns in the economy. Consequently, the results of the Debtors' operations have fluctuated and may continue to fluctuate depending on the demand for products from these industries. Global economic conditions may negatively impact customers' willingness and ability to fund their projects. These conditions may make it difficult for the Debtors' customers to accurately forecast future business trends and plan activities, thereby causing the Debtors' customers to slow or curb spending on the Debtors' products or seek contract terms more favorable to them. In addition, customers' ability to timely pay invoices may be affected by an ongoing weak economy. If the Debtors' customers are not able to make such payments in a timely manner, or at all, the Debtors could be forced to absorb these costs.

10. The Debtors Operate in a Highly Competitive Industry.

The degree and type of competition the Debtors face is influenced by the type and scope of a particular project, as well as the particular market and geographic area being served. The Debtors' competitors include well-established, well-financed businesses, both privately and publicly held, including some of the Debtors' customers. Some of the Debtors' competitors have achieved greater market penetration in the markets in which the Debtors compete. Other competitors may be smaller and more specialized and concentrate their resources in particular areas of expertise.

11. The Debtors' Operations Are Subject to Hazards Inherent in Their Industry.

Safety is a leading focus of the Debtors' business, and the Debtors' safety record is critical to their reputation and is of paramount importance to their employees, customers, post-emergence investors, and the communities the Debtors operate in. However, the ordinary course operations of the Debtors' business can place their employees and others near large, mechanized equipment, moving vehicles, dangerous processes, highly regulated materials, or in challenging environments. Although the Debtors emphasize the importance of effective quality, health, safety, environmental, and security procedures throughout their organization, if the Debtors fail to implement effective safety procedures, their employees and others may become injured, disabled, or lose their lives, and the Debtors may be exposed to litigation or investigations.

Unsafe conditions at project work sites also have the potential to increase employee turnover, increase project costs, and raise the Debtors' operating costs. Any of the foregoing could result in financial losses or reputational harm, which could have a material adverse impact on the Debtors' business, financial condition, and results of operations.

12. The Debtors' Operations Involve a Degree of Inherent Risk That May Not Be Covered by the Debtors' Insurance and May Increase the Debtors' Operating Costs.

The manufacturing and marketing of chemicals and related products inherently involves a degree of risk. Hazards such as chemical spills, pipeline leaks and ruptures, storage tank leaks, discharges or releases of toxic or hazardous substances or gases, mechanical failures, facility fires, pandemic outbreaks, harsh weather and marine conditions, and other hazards incident to the manufacturing, processing, handling, transportation, and storage of dangerous chemicals are inherent in the Debtors' businesses and that of its customers and suppliers. These hazards could result in personal injury, loss of life, severe damage to property and equipment, suspension or reduction of operations, environmental contamination, and monetary penalties.

In addition to risks inherent in the day-to-day handling of petrochemical products, the Debtors' revenue, profitability, and margins could be materially affected by asset damage. The Debtors attempt to protect themselves against financial losses and damage by carrying insurance, including general liability, workers' compensation, property and casualty insurance, and maintaining business interruption coverage,

which they believe are in accordance with customary industry practice. Nevertheless, the Debtors do not carry insurance against all types of losses, and even where losses or liability for damages is covered by insurance, the Debtors may incur deductibles, claims may be subject to maximum coverage limits, and recoveries may be denied, delayed, or subject to prolonged litigation.

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

The Debtors' operations are dependent on a relatively small group of key management personnel and a highly-skilled employee base. The Debtors' recent liquidity issues and the Chapter 11 Cases have created distractions and uncertainty for key management personnel and employees. As a result, the Debtors have experienced and may continue to experience increased levels of employee attrition. Because competition for experienced personnel in the chemical manufacturing industry can be significant, the Debtors may be unable to find acceptable replacements with comparable skills and experience or may have to pay higher compensation to hire such replacements, and the loss of such key management personnel could adversely affect the Debtors' ability to operate their businesses. In addition, a loss of key personnel or material erosion of employee morale at the corporate and/or field levels could have a material adverse effect on the Debtors' ability to meet customer and counterparty expectations, thereby adversely affecting the Debtors' businesses and the results of operations.

14. The Debtors May Be Adversely Affected by Misconduct by Employees, Third-Party Suppliers or Clients, or by Their Own Failure to Comply With Government Regulations.

The Debtors are subject to laws and government regulations in the countries and territories in which they operate, including those relating to fraud, data privacy, fair competition, bribery and corruption, import / export control, money laundering, trade sanctions, and repatriation of earnings. The Debtors incur additional legal and compliance costs associated with their international operations and could become subject to penalties in such countries and territories if they do not comply with local laws and regulations. Although the Debtors have policies and procedures in place designed to ensure compliance with these laws and regulations, the policies and procedures do not guarantee compliance. The Debtors' employees, third-party suppliers, and clients could take actions in violation of the Debtors' policies, which could have an adverse effect on the Debtors' business, results of operations, and financial condition and could harm the Debtors' reputation.

15. The Company Has Been, Is, and May Be in the Future, Involved in Various Legal Proceedings and May Experience Unfavorable Outcomes, Which Could Adversely Affect Their Business and Financial Conditions.

The Debtors have been, are, and may be in the future, involved in various legal and regulatory proceedings, claims, investigations, and inspections that involve claims for substantial amounts of money or for other relief or that might necessitate changes to the Debtors' business or operations. The Debtors may be subject to client or employee complaints or lawsuits, lawsuits from competitors or others, or regulatory investigations or actions relating to their operations in various jurisdictions. The defense of these actions is and may continue to be time consuming, expensive, and disruptive to the Debtors' operations. Resolving or defending legal matters can take years and resolutions can be unpredictable. If these legal proceedings were to result in an unfavorable outcome, they could create reputational damage and have a material adverse effect on the Debtors' brand, reputation, business, and financial performance.

16. Changes in Laws, Rules and Regulations Could Have an Adverse Effect on the Debtors' Business and Results of Operations and May Result in the Debtors Incurring Penalties and Experiencing Other Adverse Effects on Their Business.

The Debtors' business and financial condition could be adversely affected by unfavorable changes in, or to the interpretation of, existing laws, rules, or regulations, including tariffs both by and against the United States. The Debtors could also be subject to new laws, rules, regulations, and tariffs that are applicable to their business (including those relating to chemical manufacturing), which could result in increased operating and/or development costs, reduced revenues, and/or restrictions on the Debtors' operations. Such changes could have a material adverse impact on the Debtors' business, results of operations, and financial conditions.

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

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

D. Miscellaneous Risk Factors and Disclaimers.

1. The Financial Information Is Based on the Debtors' Books and Records and, Unless Otherwise Stated, No Audit Was Performed.

In preparing this Disclosure Statement, the Debtors relied on financial data derived from their books and records that was available at the time of such preparation. Although the Debtors have used their reasonable business judgment to assure the accuracy of the financial information provided in this Disclosure Statement, and while the Debtors believe that such financial information fairly reflects their financial condition, the Debtors are unable to warrant or represent that the financial information contained in this Disclosure Statement (or any information in any of the exhibits to this Disclosure Statement) is without inaccuracies. The financial information contained in this Disclosure Statement or incorporated herein by reference has not been, and will not be, audited or reviewed by the Debtors' independent auditors unless explicitly provided otherwise herein.

2. No Legal or Tax Advice is Provided by This Disclosure Statement.

This Disclosure Statement does not constitute legal advice. The contents of this Disclosure Statement should not be construed as legal, business, or tax advice. Each reader should consult its own legal counsel and accountant with regard to any legal, tax, and other matters concerning its Claim or Interest. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote to accept or reject the Plan or whether to object to Confirmation.

3. No Admissions Made.

The information and statements contained in this Disclosure Statement will neither (a) constitute an admission of any fact or liability by any Entity (including the Debtors) nor (b) be deemed evidence of the tax or other legal effects of the Plan on the Debtors, the Reorganized Debtors, Holders of Allowed Claims or Interests, or any other parties in interest.

4. Failure to Identify Litigation Claims or Protected Objections.

No reliance should be placed on the fact that a particular litigation claim or projected objection to a particular Claim or Cause of Action is, or is not, identified in this Disclosure Statement. The Debtors may seek to investigate, File, and prosecute Claims or Causes of Action and may object to Claims after Confirmation and Consummation of the Plan, irrespective of whether this Disclosure Statement identifies such Claims or objections to Claims.

5. Information Was Provided by the Debtors and Was Relied Upon by the Debtors' Advisors.

Counsel to and other advisors retained by the Debtors have relied upon information provided by the Debtors in connection with the preparation of this Disclosure Statement. Although counsel to and other advisors retained by the Debtors have performed certain limited due diligence in connection with the preparation of this Disclosure Statement and the exhibits to the Disclosure Statement, they have not independently verified the information contained in this Disclosure Statement or the information in the exhibits to this Disclosure Statement.

6. No Representations Outside This Disclosure Statement Are Authorized.

OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT, NO REPRESENTATIONS CONCERNING OR RELATING TO THE DEBTORS, THE CHAPTER 11 CASES, OR THE PLAN ARE AUTHORIZED BY THE BANKRUPTCY COURT OR THE BANKRUPTCY CODE. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE VOTING HOLDERS' ACCEPTANCE OR REJECTION OF THE PLAN OTHER THAN THOSE CONTAINED IN, OR INCLUDED WITH, THIS DISCLOSURE STATEMENT, SHOULD NOT BE RELIED UPON BY VOTING HOLDERS IN ARRIVING AT THEIR DECISION. VOTING HOLDERS SHOULD PROMPTLY REPORT UNAUTHORIZED REPRESENTATIONS OR INDUCEMENTS TO COUNSEL TO THE DEBTORS AND THE OFFICE OF THE UNITED STATES TRUSTEE FOR THE SOUTHERN DISTRICT OF TEXAS.

IX. SOLICITATION AND VOTING

This Disclosure Statement, which is accompanied by a ballot or ballots to be used for voting on the Plan, is being distributed to the holders of Claims in those Classes that are entitled to vote to accept or reject the Plan. The procedures and instructions for voting and related deadlines will be set forth in the exhibits annexed to the order approving the Disclosure Statement (the "Disclosure Statement Order").

THE DISCUSSION OF THE SOLICITATION AND VOTING PROCESS SET FORTH IN THIS DISCLOSURE STATEMENT IS ONLY A SUMMARY. PLEASE REFER TO THE DISCLOSURE STATEMENT ORDER ATTACHED HERETO FOR A MORE COMPREHENSIVE DESCRIPTION OF THE SOLICITATION AND VOTING PROCESS.

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

Under the provisions of the Bankruptcy Code, not all holders of claims against or interests in a debtor are entitled to vote on a chapter 11 plan. The table in Article III.D of this Disclosure Statement, entitled "Am I entitled to vote on the Plan?" provides a summary of the status and voting rights of each Class (and, therefore, of each holder within such Class absent an objection to the holder's Claim or Interest) under the Plan.

As shown in the table, the Debtors are soliciting votes to accept or reject the Plan only from holders of Claims and Interests in Classes 3 and 4 (the "Voting Classes"). The holders of Claims and Interests in

the Voting Classes are Impaired under the Plan and may, in certain circumstances, receive a distribution under the Plan. Accordingly, holders of Claims and Interests in the Voting Classes have the right to vote to accept or reject the Plan.

The Debtors are *not* soliciting votes from holders of Claims or Interests in Classes 1, 2, 5, 6, 7, 8, and 9 (collectively, the “Non-Voting Classes”).

B. Voting Record Date.

The Voting Record Date is September 10, 2025 (the “Voting Record Date”). The Voting Record Date is the date on which it will be determined which holders of Claims and Interests in the Voting Classes are entitled to vote to accept or reject the Plan and whether Claims and Interests have been properly assigned or transferred under Bankruptcy Rule 3001(e) such that an assignee or transferee, as applicable, can vote to accept or reject the Plan as the holder of a Claim or Interest.

C. Voting on the Plan.

The Voting Deadline is October 17, 2025, at 4:00 p.m., prevailing Central Time. In order to be counted as votes to accept or reject the Plan, all ballots must be properly executed, completed, and delivered as directed, so that your ballot or the master ballot containing your vote is **actually received** by the Claims and Noticing Agent on or before the Voting Deadline.

D. Ballots Not Counted.

No ballot will be counted toward Confirmation if, among other things: (1) it is illegible or contains insufficient information to permit the identification of the holder; (2) it is submitted by a Person or Entity that does not hold a Claim in a Class that is entitled to vote on the Plan; (3) it is unsigned; (4) it is not marked to accept or reject the Plan or marked both to accept and reject the Plan; and/or (5) it is submitted by a party not entitled to cast a vote with respect to the Plan. **Please refer to the Disclosure Statement Order for additional requirements with respect to voting to accept or reject the Plan.**

ANY BALLOT RECEIVED AFTER THE VOTING DEADLINE OR THAT IS OTHERWISE NOT IN COMPLIANCE WITH THE SOLICITATION AND VOTING PROCEDURES PROVIDED IN THIS ARTICLE IX OF THE DISCLOSURE STATEMENT WILL NOT BE COUNTED.

X. CONFIRMATION OF THE PLAN

A. Requirements for Confirmation of the Plan.

Among the requirements for Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code are: (i) the Plan is accepted by all Impaired Classes of Claims or Interests, or if rejected by an Impaired Class, the Plan “does not discriminate unfairly” and is “fair and equitable” as to the rejecting Impaired Class; (ii) the Plan is feasible; and (iii) the Plan is in the “best interests” of holders of Claims or Interests.

At the Confirmation Hearing, the Bankruptcy Court will determine whether the Plan satisfies all of the requirements of section 1129 of the Bankruptcy Code. The Debtors believe that: (i) the Plan satisfies, or will satisfy, all of the necessary statutory requirements of chapter 11 for plan confirmation; (ii) the Debtors have complied, or will have complied, with all of the necessary requirements of chapter 11 for plan confirmation; and (iii) the Plan has been proposed in good faith.

B. Best Interests of Creditors/Liquidation Analysis.

Often called the “best interests” test, section 1129(a)(7) of the Bankruptcy Code requires that a bankruptcy court find, as a condition to confirmation, that a chapter 11 plan provides, with respect to each impaired class, that each holder of a claim or an equity interest in such impaired class either (1) has accepted the plan or (2) will receive or retain under the plan property of a value that is not less than the amount that the non-accepting holder would receive or retain if the debtors liquidated under chapter 7. The Debtors, with the assistance of the Debtors’ advisors, will prepare and file an analysis that the Debtors expect will demonstrate that liquidation of the Debtors’ businesses under chapter 7 of the Bankruptcy Code would result in substantial diminution in the value to be realized by holders of Claims or Interests as compared to distributions contemplated under the Plan. Consequently, the Debtors and their management believe that Confirmation of the Plan will provide a substantially greater return to the holders of Claims or Interests than would a liquidation under chapter 7 of the Bankruptcy Code.

If the Plan is not confirmed, and the Debtors fail to propose and confirm an alternative plan of reorganization, the Debtors’ businesses may be liquidated pursuant to the provisions of a chapter 11 liquidating plan. In liquidations under chapter 11, the Debtors’ assets could be sold in an orderly fashion over a more extended period of time than in a liquidation under chapter 7. Thus, a chapter 11 liquidation may result in larger recoveries than a chapter 7 liquidation, but the delay in distributions could result in lower present values received and higher administrative costs. Any distribution to holders of Claims or Interests (to the extent holders of Interests would receive distributions at all) under a chapter 11 liquidation plan would most likely be substantially delayed. Most importantly, the Debtors believe that any distributions to creditors in a chapter 11 liquidation scenario would fail to capture the significant going concern value of their business, which is reflected in the New Interests to be distributed under the Plan. Accordingly, the Debtors believe that a chapter 11 liquidation would not result in distributions as favorable as those under the Plan.

C. Feasibility.

Section 1129(a)(11) of the Bankruptcy Code requires that confirmation of a plan of reorganization 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 (unless such liquidation or reorganization is proposed in such plan of reorganization).

To determine whether the Plan meets this feasibility requirement, the Debtors, with the assistance of their advisors, have analyzed their ability to meet their respective obligations under the Plan. As part of this analysis, the Debtors will prepare and file the Financial Projections. Creditors and other interested parties should review Article VIII of this Disclosure Statement, entitled “Risk Factors” for a discussion of certain factors that may affect the future financial performance of the Reorganized Debtors.

D. Acceptance by Impaired Classes.

The Bankruptcy Code requires, as a condition to confirmation, except as described in the following section, that each class of claims or equity interests impaired under a plan, accept the plan. A class that is not “impaired” under a plan is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to such a class is not required. Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds in dollar amount and more than one-half in a number of allowed claims in that class, counting only those claims that have *actually* voted to accept or to reject the plan. Thus, a class of Claims will have voted to accept the Plan only if two-thirds in amount and a majority in number of the Allowed Claims in such class that vote on the Plan actually cast their ballots in favor of acceptance.

Section 1126(d) of the Bankruptcy Code defines acceptance of a plan by a class of impaired equity interests as acceptance by holders of at least two-thirds in amount of allowed interests in that class, counting only those interests that have *actually* voted to accept or to reject the plan. Pursuant to Article III.E of the Plan, if a Class contains Claims eligible to vote and no holders of Claims eligible to vote in such Class vote to accept or reject the Plan, the holders of such Claims in such Class shall be deemed to have accepted the Plan.

E. Confirmation Without Acceptance by All Impaired Classes.

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

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

1. No Unfair Discrimination.

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

2. Fair and Equitable Test.

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

The Debtors submit that if the Debtors "cramdown" the Plan pursuant to section 1129(b) of the Bankruptcy Code, the Plan is structured so that it does not "discriminate unfairly" and satisfies the "fair and equitable" requirement. With respect to the unfair discrimination requirement, all Classes under the Plan are provided treatment that is substantially equivalent to the treatment that is provided to other Classes that have equal rank. With respect to the fair and equitable requirement, the Bankruptcy Code requires that (i) creditors in a Class be paid in full or that no creditor of lesser priority receive any distribution under the Plan, and (ii) no Class under the Plan will receive more than 100 percent of the amount of Allowed Claims or Interests in that Class. The Debtors believe that the Plan and the treatment of all Classes of Claims or

Interests under the Plan satisfy the foregoing requirements for nonconsensual Confirmation of the Plan to the extent necessary.

F. Valuation of the Debtors.

In conjunction with formulating the Plan and satisfying its obligations under section 1129 of the Bankruptcy Code, the Debtors determined that it was necessary to estimate the post-Effective Date going concern value of the Debtors. Accordingly, the Debtors, with the assistance of PJT, will prepare and file a valuation analysis that supports the distribution scheme contemplated by the Plan.

XI. CERTAIN SECURITIES LAW MATTERS

A. New Interests.

As discussed herein, the Plan provides for the offer, issuance, sale, and distribution of New Interests to certain Holders of Claims against the Debtors. The Debtors believe that the class of New Interests will be “securities,” as defined in section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code and any applicable Blue-Sky Law.

The Debtors further believe that the issuance of the New Interests (including with respect to the Term Loan Equity Distribution and DIP Equity Recovery, but excluding any Rights Offering Interests, any New Interests underlying the Management Incentive Plan or any New Interests issued as a result of any Exit Holdco Loan Conversion (to the extent applicable)) pursuant to the restructuring transactions under the Plan is, and subsequent transfers of such New Interests by the holders thereof that are not “underwriters” (which definition includes “Controlling Persons”) will be, exempt from federal and state securities registration requirements under section 1145 of the Bankruptcy Code and any applicable state Blue-Sky Law as described in more detail below, except in certain limited circumstances (such New Interests, the “1145 Securities”).

Further, the Debtors are relying on section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, and/or Regulation S under the Securities Act and similar Blue-Sky Laws provisions to exempt from registration under the Securities Act and Blue-Sky Laws the offer to certain Holders of Allowed Claims with respect to the New Interests (including the Rights Offering Interests, any New Interests underlying the Management Incentive Plan, or any New Interests issued as a result of any Exit Holdco Loan Conversion (to the extent applicable)), including in connection with any solicitation pursuant to this Disclosure Statement. Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder provide that the offering, issuance, and distribution of securities by an issuer in transactions not involving any public offering are exempt from registration under the Securities Act. Regulation S under the Securities Act provides an exemption from registration under the Securities Act for the offering, issuance, and distribution of securities in certain transactions to persons outside of the United States (such New Interests, the “4(a)(2) Securities”).

In addition, the Debtors believe that all Rights Offering Interests, any New Interests underlying the Management Incentive Plan, or any New Interests issued as a result of any Exit Holdco Loan Conversion (to the extent applicable) will be offered, issued, and distributed in reliance upon section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, and/or Regulation S under the Securities Act will be considered “restricted securities” and may not be transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom. Any New Interests underlying the Management Incentive Plan will be offered, issued, and distributed in reliance upon section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other exemptions from registration and will also be considered “restricted securities.”

The following discussion of the issuance and transferability of the New Interests relates solely to matters arising under U.S. federal and state securities laws. The rights of holders of New Interests, including the right to transfer such interests, will also be subject to any restrictions in the New Organizational Documents (to the extent applicable). Recipients of any New Interests pursuant to the Plan are advised to consult with their own legal advisors as to the availability of any exemption from registration under the Securities Act and any applicable Blue-Sky Laws.

B. Exemption from Registration Requirements for Issuance of New Interests under the Plan.

All 1145 Securities will be issued on the Effective Date without registration under the Securities Act or any similar federal, state, or local law in reliance on section 1145(a) of the Bankruptcy Code. Section 1145 of the Bankruptcy Code provides, among other things, that section 5 of the Securities Act and any other applicable U.S. state or local law requirements for the issuance of a security do not apply to the offering, issuance, distribution, or sale of stock, options, warrants, or other securities by a debtor if (1) the offer or sale occurs under a plan of reorganization, (2) the recipients of the securities hold a claim against, an interest in, or claim for administrative expense against, the debtor, and (3) the securities are issued in exchange for a claim against, interest in, or claim for an administrative expense against a debtor or are issued principally in such exchange or partly for cash and property.

All 4(a)(2) Securities will be offered, issued, and distributed in reliance upon section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, and/or Regulation S under the Securities Act.

Accordingly, no registration statement will be filed under the Securities Act or any state securities laws with respect to the initial offer, issuance, and distribution of New Interests. Recipients of the New Interests are advised to consult with their own legal advisors as to the availability of any exemption from registration under the Securities Act and any applicable state Blue-Sky Law. As discussed below, the exemptions provided for in section 1145(a) of the Bankruptcy Code do not apply to an entity that is deemed an “underwriter” as such term is defined in section 1145(b) of the Bankruptcy Code.

C. Resales of New Interests.

1. Resales of 1145 Securities.

1145 Securities (i) will not be “restricted securities” as defined in Rule 144(a)(3) under the Securities Act, and (ii) will be transferable without registration under the Securities Act in the United States by the recipients thereof that are not, and have not been within ninety days of such transfer, an “affiliate” of the Debtors as defined in Rule 144(a)(1) under the Securities Act, subject to the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 1145(b) of the Bankruptcy Code and compliance with applicable securities laws and any rules and regulations of the United States Securities and Exchange Commission or state or local securities laws, if any, applicable at the time of any future transfer of such securities or instruments.

Section 1145(b)(1) of the Bankruptcy Code defines an “underwriter” as one who, except with respect to “ordinary trading transactions” of an entity that is not an “issuer”: (1) purchases a claim against, interest in, or claim for an administrative expense in the case concerning, the debtor, if such purchase is with a view to distribution of any security received or to be received in exchange for such claim or interest; (2) offers to sell securities offered or sold under a plan for the holders of such securities; (3) offers to buy securities offered or sold under a plan from the holders of such securities, if such offer to buy is (a) with a view to distribution of such securities and (b) under an agreement made in connection with the plan, with the consummation of the plan, or with the offer or sale of securities under the plan; or (4) is an issuer of the

securities within the meaning of section 2(a)(11) of the Securities Act. In addition, a Person who receives a fee in exchange for purchasing an issuer's securities could also be considered an underwriter within the meaning of section 2(a)(11) of the Securities Act.

The definition of an "issuer" for purposes of whether a Person is an underwriter under section 1145(b)(1)(D) of the Bankruptcy Code, by reference to section 2(a)(11) of the Securities Act, includes as "statutory underwriters" all "affiliates," which are all Persons who, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with, an issuer of securities. The reference to "issuer," as used in the definition of "underwriter" contained in section 2(a)(11) of the Securities Act, is intended to cover "Controlling Persons" of the issuer of the securities. "Control," as defined in Rule 405 of the Securities Act, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise. Accordingly, an officer or director of a reorganized debtor or its successor under a plan of reorganization may be deemed to be a "Controlling Person" of the debtor or successor, particularly if the management position or directorship is coupled with ownership of a significant percentage of the reorganized debtor's or its successor's voting securities. In addition, the legislative history of section 1145 of the Bankruptcy Code suggests that a creditor who owns 10% or more of a class of securities of a reorganized debtor may be presumed to be a "Controlling Person" and, therefore, an underwriter.

While an affiliate of a reorganized debtor may be offered and issued Securities pursuant to section 1145 of the Bankruptcy Code in accordance with certain SEC guidance, resales of New Interests pursuant to the Plan held by Persons deemed to be "underwriters" (which definition includes "Controlling Persons") are not exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable laws. Further, under certain circumstances, holders of such New Interests who are deemed to be "underwriters" may be entitled to resell their New Interests pursuant to the limited safe harbor resale provisions of Rule 144 of the Securities Act. Generally, Rule 144 of the Securities Act would permit the public sale of control securities received by such Person if the requirements for sales of such control securities under Rule 144 have been met, including that current information regarding the issuer is publicly available and volume limitations, manner of sale requirements and certain other conditions are met. Whether any particular Person would be deemed to be an "underwriter" (including whether the Person is a "Controlling Person") with respect to the New Interests would depend upon various facts and circumstances applicable to that Person. Accordingly, the Debtors express no view as to whether any Person would be deemed an "underwriter" with respect to such New Interests and, in turn, whether any Person may freely trade such New Interests. However, the Debtors do not intend to make publicly available the requisite information regarding the Debtors, and, as a result, Rule 144 will not be available for resales of such New Interests by Persons deemed to be underwriters or otherwise.

IN VIEW OF THE COMPLEX, SUBJECTIVE NATURE OF THE QUESTION OF WHETHER A RECIPIENT OF SECURITIES MAY BE AN UNDERWRITER OR AN AFFILIATE OF THE REORGANIZED DEBTORS, THE DEBTORS MAKE NO REPRESENTATIONS CONCERNING THE RIGHT OF ANY PERSON TO TRADE IN SECURITIES TO BE DISTRIBUTED PURSUANT TO THE PLAN. ACCORDINGLY, THE DEBTORS RECOMMEND THAT POTENTIAL RECIPIENTS OF NEW INTERESTS CONSULT THEIR OWN COUNSEL CONCERNING WHETHER THEY MAY FREELY TRADE SUCH SECURITIES.

2. Resales of 4(a)(2) Securities.

4(a)(2) Securities will be offered, issued, and distributed in reliance upon section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, and/or Regulation S under the Securities Act, will be considered "restricted securities," and may not be transferred except pursuant to an effective registration

statement under the Securities Act or an available exemption therefrom and pursuant to applicable state securities laws. For the avoidance of doubt, any New Interests underlying the Management Incentive Plan will also be offered, issued, and distributed in reliance upon section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other exemptions from registration.

Generally, Rule 144 of the Securities Act provides a limited safe harbor for the public resale of restricted securities if certain conditions are met. These conditions vary depending on whether the issuer is a reporting issuer and whether the holder of the restricted securities is an “affiliate” of the issuer. Rule 144 defines an affiliate as “a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such issuer.” A non-affiliate who has not been an affiliate of the issuer during the preceding three months may resell restricted securities of an issuer that does not file reports with the SEC pursuant to Rule 144 after a one-year holding period. An affiliate may resell restricted securities of an issuer that does not file reports with the SEC under Rule 144 after such holding period, as well as other securities without a holding period, but only if certain current public information regarding the issuer is available at the time of the sale and only if the affiliate also complies with the volume, manner of sale, and notice requirements of Rule 144. The Debtors do not intend to make publicly available the requisite information regarding the Debtors, and, as a result, even after the holding period, Rule 144 may not be available for resales of such New Interests by affiliates of the Debtors. Restricted securities (as well as other securities held by affiliates) may be resold without holding periods under other exemptions from registration, including Rule 144A under the Securities Act and Regulation S under the Securities Act, but only in compliance with the conditions of such exemptions from registration.

In addition, in connection with resales of any New Interests offered, issued, and distributed pursuant to Regulation S under the Securities Act: (i) the offer or sale, if made prior to the expiration of the one-year distribution compliance period (six months for a reporting issuer), may not be made to a U.S. person or for the account or benefit of a U.S. person (other than a distributor); and (ii) the offer or sale, if made prior to the expiration of the applicable one-year or six-month distribution compliance period, is made pursuant to the following conditions: (a) the purchaser (other than a distributor) certifies that it is not a U.S. person and is not acquiring the securities for the account or benefit of any U.S. person or is a U.S. person who purchased securities in a transaction that did not require registration under the Securities Act; and (b) the purchaser agrees to resell such securities only in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act, or pursuant to an available exemption from registration and agrees not to engage in hedging transactions with regard to such securities unless in compliance with the Securities Act.

4(a)(2) Securities will bear a restrictive legend. Each certificate or book-entry representing, or issued in exchange for or upon the transfer, sale, or assignment of, any 4(a)(2) Securities shall be stamped or otherwise imprinted with a legend in substantially the following form:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE WERE ORIGINALLY ISSUED ON [DATE OF ISSUANCE], HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY OTHER APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN AVAILABLE EXEMPTION FROM REGISTRATION.”

The Debtors will reserve the right to require certification, legal opinions, or other evidence of compliance with Rule 144 as a condition to the removal of such legend or to any resale of 4(a)(2) Securities. The Debtors will also reserve the right to stop the transfer of any 4(a)(2) Securities if such transfer is not

registered in compliance with Rule 144 or in compliance with another applicable exemption from registration from applicable securities laws.

Notwithstanding anything to the contrary in this Disclosure Statement, no Entity shall be entitled to require a legal opinion regarding the validity of any transaction contemplated by the Plan or this Disclosure Statement, including, for the avoidance of doubt, whether the New Interests are exempt from the registration requirements of section 5 of the Securities Act.

In addition to the foregoing restrictions, the New Interests will also be subject to any applicable transfer restrictions contained in the New Organizational Documents.

PERSONS WHO RECEIVE SECURITIES UNDER THE PLAN ARE URGED TO CONSULT THEIR OWN LEGAL ADVISOR WITH RESPECT TO THE RESTRICTIONS APPLICABLE UNDER THE FEDERAL OR STATE SECURITIES LAWS AND THE CIRCUMSTANCES UNDER WHICH SECURITIES MAY BE SOLD IN RELIANCE ON SUCH LAWS. THE FOREGOING SUMMARY DISCUSSION IS GENERAL IN NATURE AND HAS BEEN INCLUDED IN THIS DISCLOSURE STATEMENT SOLELY FOR INFORMATIONAL PURPOSES. THE DEBTORS MAKE NO REPRESENTATIONS CONCERNING, AND DO NOT PROVIDE, ANY OPINIONS OR ADVICE WITH RESPECT TO THE SECURITIES OR THE BANKRUPTCY MATTERS DESCRIBED IN THIS DISCLOSURE STATEMENT. IN LIGHT OF THE UNCERTAINTY CONCERNING THE AVAILABILITY OF EXEMPTIONS FROM THE RELEVANT PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS, WE ENCOURAGE EACH RECIPIENT OF SECURITIES AND PARTY IN INTEREST TO CONSIDER CAREFULLY AND CONSULT WITH ITS OWN LEGAL ADVISORS WITH RESPECT TO ALL SUCH MATTERS. BECAUSE OF THE COMPLEX, SUBJECTIVE NATURE OF THE QUESTION OF WHETHER A SECURITY IS EXEMPT FROM THE REGISTRATION REQUIREMENTS UNDER THE FEDERAL OR STATE SECURITIES LAWS OR WHETHER A PARTICULAR RECIPIENT OF NEW INTERESTS MAY BE AN UNDERWRITER, WE MAKE NO REPRESENTATION CONCERNING THE ABILITY OF A PERSON TO DISPOSE OF THE SECURITIES ISSUED UNDER THE PLAN.

XII. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN²⁶

A. Introduction.

[The following discussion is a summary of certain U.S. federal income tax consequences of the consummation of the Plan to the Debtors, the Reorganized Debtors, and to certain Holders. The following summary does not address the U.S. federal income tax consequences to Holders not entitled to vote to accept or reject the Plan. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the “IRC”), the U.S. Treasury Regulations promulgated thereunder (the “Treasury Regulations”), judicial decisions and authorities, published administrative rules, positions and pronouncements of the U.S. Internal Revenue Service (the “IRS”), and other applicable authorities, all as in effect on the date of this Disclosure Statement and all of which are subject to change or differing interpretations, possibly with retroactive effect, so as to result in U.S. federal income tax consequences different from those summarized herein. Due to the lack of definitive judicial and administrative authority in a number of areas, substantial uncertainty may exist with respect to some of the tax consequences described below. No opinion of counsel has been obtained, and the Debtors do not intend to seek a ruling or determination from the IRS as to any of the tax consequences of the Plan discussed below. The discussion below is not binding upon the IRS, or the courts

²⁶ Subject to ongoing review.

and no assurance can be given that the IRS would not assert, or that a court would not sustain, a different position than any position discussed herein.

This discussion does not purport to address all aspects of U.S. federal income taxation that may be relevant to certain Holders in light of their individual circumstances. This discussion also does not address tax issues with respect to such Holders that are subject to special treatment under the U.S. federal income tax laws (including, for example, accrual-method U.S. Holders (as defined below) that prepare an “applicable financial statement” (as defined in Section 451 of the IRC), banks, mutual funds, governmental authorities or agencies, pass-through entities, beneficial owners of pass-through entities, subchapter S corporations, dealers and traders in securities, insurance companies, financial institutions, tax-exempt organizations, controlled foreign corporations, passive foreign investment companies, U.S. Holders (as defined below) whose functional currency is not the U.S. dollar, U.S. expatriates, broker-dealers, small business investment companies, Persons who are related to the Debtors within the meaning of the IRC, Persons liable for alternative minimum tax, Persons using a mark-to-market method of accounting, Holders who are themselves in bankruptcy, real estate investment companies and regulated investment companies, and those holding, or who will hold, consideration received pursuant to the Plan as part of a hedge, straddle, conversion, or other integrated transaction). No aspect of state, local, non-income, or non-U.S. taxation is addressed. Furthermore, this summary assumes that a Holder holds only Claims or Interests in a single Class and holds such Claims or Interests only as “capital assets” (within the meaning of section 1221 of the IRC). This summary also assumes that the various debt and other arrangements to which the Debtors and Reorganized Debtors are or will be a party will be respected for U.S. federal income tax purposes in accordance with their form, and, to the extent relevant, that the Claims constitute interests in the Debtors “solely as a creditor” for purposes of section 897 of the IRC. This summary does not discuss differences in tax consequences to Holders that act or receive consideration in a capacity other than any other Holder of a Claim or Interest of the same Class or Classes, and the tax consequences for such Holders may differ materially from that described below. The U.S. federal income tax consequences of the implementation of the Plan to the Debtors, Reorganized Debtors, and Holders of Claims and Interests described below also may vary depending on the nature of any Restructuring Transactions that the Debtors and/or Reorganized Debtors engage in. This summary does not address the U.S. federal income tax consequences to Holders (a) whose Claims are Unimpaired or otherwise entitled to payment in full under the Plan, or (b) that are deemed to reject the Plan. This summary also assumes that the various debt and other arrangements to which the Debtors are a party will be respected for U.S. federal income tax purposes in accordance with their form.

For purposes of this discussion, a “U.S. Holder” is a Holder of a Claim or Interest that, for U.S. federal income tax purposes, is: (1) an individual who is a citizen or resident of the United States; (2) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia; (3) an estate the income of which is subject to U.S. federal income taxation regardless of the source of such income; or (4) a trust (a) if a court within the United States is able to exercise primary jurisdiction over the trust’s administration and one or more United States persons (within the meaning of section 7701(a)(30) of the IRC) has authority to control all substantial decisions of the trust or (b) that has a valid election in effect under applicable Treasury Regulations to be treated as a United States person (within the meaning of section 7701(a)(30) of the IRC). For purposes of this discussion, a “Non-U.S. Holder” is any Holder that is neither a U.S. Holder nor a partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes).

If a partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes) is a Holder, the tax treatment of a partner (or other beneficial owner) generally will depend upon the status of the partner (or other beneficial owner) and the activities of the partner (or other beneficial owner) and the entity. Partnerships (or other pass-through entities) and partners (or other

beneficial owners) of partnerships (or other pass-through entities) that are Holders are urged to consult their own respective tax advisors regarding the U.S. federal income tax consequences of the Plan.

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

B. Characterization of the Restructuring Transactions.

1. In General.

The Debtors expect that the Restructuring Transactions (other than with respect to APM Disc and APM Disc Inc., as discussed below) will be structured as a recapitalization of the Debtors.

The New Interests may be stock issued by Ascend (or, potentially, stock or other equity interests in a newly formed entity treated as a successor to Ascend under the applicable reorganization provisions of the IRC). Any Tax Attributes remaining upon implementation of the Plan may be available to offset taxable income or directly offset U.S. federal income tax liability in future years, thereby reducing the Debtors' future aggregate tax obligations, subject to the discussion below regarding certain provisions such as section 382 of the IRC. As discussed below, the Debtors' Tax Attributes are expected to be significantly reduced upon implementation of the Plan.

The Debtors generally expect that they will have cancellation of indebtedness income ("COD Income"). The Debtors' tax attributes would, subject to the rules discussed below regarding COD Income and section 382 of the IRC, survive the restructuring process and carry over to the Reorganized Debtors.

The tax consequences of the Plan to APM Disc and APM Disc Inc. is uncertain and may depend, in part, among other things, on how such entities are ultimately treated pursuant to the Plan, the treatment of Interests in such entities pursuant to the Plan, and the Plan treatment of the Intercompany Claim currently reflected as being owed by APM Disc to APM Ops on the Debtors' books and records. In general, APM Disc is a flow-through entity for U.S. federal income tax purposes. As a result, APM Disc generally (outside of certain circumstances involving audit adjustments) does not directly pay U.S. federal income tax, and its tax items flow up to its owners. APM Disc Inc., while taxable as a corporation in the first instance, is subject to a special set of rules that can result in such entity effectively also being a flow-through entity for tax purposes. While not free from doubt, the Debtors do not currently anticipate that either APM Disc or APM Disc Inc. will owe any U.S. federal income tax as a result of the consummation of the Plan. The remaining portion of the following discussion regarding the tax consequence of the Plan to the Debtors generally applies to the Debtors other than APM Disc or APM Disc Inc.

2. Cancellation of Debt and Reduction of Tax Attributes.

In general, absent an exception, a taxpayer will realize and recognize COD Income upon satisfaction of its outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the adjusted issue price of the

indebtedness satisfied over (b) the amount of cash and the fair market value of any other consideration given in satisfaction of such indebtedness at the time of the exchange.

Under section 108 of the IRC, however, a taxpayer is not required to include any amount of COD Income in gross income if the taxpayer is under the jurisdiction of a court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, a taxpayer-debtor must reduce its tax attributes by the amount of COD Income that it excluded from gross income pursuant to section 108 of the IRC. Such reduction in tax attributes occurs only after the tax for the year of the debt discharge has been determined. In general, tax attributes will be reduced in the following order: (a) net operating losses (“NOLs”) and NOL carryforwards; (b) general business credit carryovers; (c) minimum tax credit carryovers; (d) capital loss carryovers; (e) tax basis in assets (but not below the amount of liabilities to which the debtor remains subject immediately after the discharge); (f) passive activity loss and credit carryovers; and (g) foreign tax credits carryovers. Deferred deductions under Section 163(j) of the IRC (“163(j) Deductions”) are not subject to reduction under these rules. Any excess COD Income over the amount of available tax attributes will generally not give rise to U.S. federal income tax and will generally have no other U.S. federal income tax impact. Alternatively, a debtor with COD Income may elect first to reduce the basis of its depreciable assets pursuant to section 108(b)(5) of the IRC. Where the taxpayer joins in the filing of a consolidated U.S. federal income tax return, applicable Treasury Regulations require, in certain circumstances, that certain tax attributes of other members of the group also be reduced.

In connection with the Restructuring Transactions, the Debtors generally expect to realize COD Income, with an attendant decrease in tax attributes. The exact amount of any COD Income that will be realized by the Debtors will not be determinable until the consummation of the Plan because the amount of COD Income will depend, in part, on the issue price of new debt instruments and the value of non-cash consideration, neither of which can be determined until after the Plan is consummated. As a result, the total amount of attribute reduction as a result of the Plan cannot be determined until after the Effective Date.

3. Limitation on NOLs, 163(j) Deductions, and Other Tax Attributes.

After giving effect to the reduction in tax attributes pursuant to excluded COD Income, the Reorganized Debtors’ ability to use any remaining tax attributes post-emergence will be subject to certain limitations under sections 382 and 383 of the IRC.

Under sections 382 and 383 of the IRC, if the Debtors undergo an “ownership change,” as defined under section 382 of the IRC, the amount of any remaining NOL carryforwards, tax credit carryforwards, 163(j) Deductions, and possibly certain other attributes (potentially including losses and deductions that have accrued economically but are unrecognized as of the date of the ownership change and cost recovery deductions) of the Debtors allocable to periods prior to the Effective Date (collectively, “Pre-Change Losses”) that may be utilized to offset future taxable income generally are subject to an annual limitation. For this purpose, if a corporation (or consolidated group) has a net unrealized built-in loss at the time of an ownership change (taking into account most assets and items of “built-in” income and deductions), then, generally, built-in losses (including amortization or depreciation deductions attributable to such built-in losses) recognized during the following five years (up to the amount of the original net unrealized built-in loss) will be treated as Pre-Change Losses and similarly will be subject to the annual limitation. In general, a corporation’s (or consolidated group’s) net unrealized built-in loss will be deemed to be zero unless it is greater than the lesser of (a) \$10,000,000 or (b) 15 percent of the fair market value of its assets (with certain adjustments) before the ownership change. While proposed Treasury Regulations could significantly modify the calculation and treatment of net unrealized built-in gains and losses, those regulations are not expected to apply to the Reorganized Debtors and the remainder of this discussion assumes they will not apply.

The rules of section 382 of the IRC are complicated but an ownership change of the Debtors is expected to occur as a result of the Restructuring Transactions. If such an ownership change occurs, the ability of the Reorganized Debtors to use the Pre-Change Losses will be subject to limitation unless an exception to the general rules of section 382 of the IRC applies.

(a) General Section 382 Annual Limitation

In general, the amount of the annual limitation to which a corporation that undergoes an “ownership change” would be subject to is equal to the product of (i) the fair market value of the stock of the corporation immediately before the “ownership change” (with certain adjustments) and (ii) the “long-term tax-exempt rate” (which is the highest of the adjusted federal long-term rates in effect for any month in the three-calendar-month period ending with the calendar month in which the ownership change occurs, currently 3.71 percent for August 2025). Under certain circumstances, the annual limitation may be increased to the extent that the corporation (or parent of the consolidated group) has an overall built-in gain in its assets at the time of the ownership change. If the corporation or consolidated group has such “net unrealized built-in gain” at the time of an ownership change (taking into account most assets and items of “built-in” income, gain, loss, and deduction), any built-in gains recognized (or, according to the currently effective IRS Notice 2003-65, treated as recognized) during the following five-year period (up to the amount of the original net unrealized built-in gain) will generally increase the annual limitation in the year of such recognition such that the loss corporation or consolidated group would be permitted to use its Pre-Change Losses against such built-in gain income in addition to its otherwise applicable annual limitation. Section 383 of the IRC applies a similar limitation to capital loss carryforwards and tax credits. Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year. If the corporation or consolidated group does not continue its historic business (or if the historic business consists of multiple lines of business, at least one of the significant lines of business) or use a significant portion of its historic assets in a new business for at least two years after the ownership change, the annual limitation resulting from the ownership change is reduced to zero, thereby precluding any utilization of the corporation’s Pre-Change Losses (absent any increases due to recognized built-in gains). As discussed below, however, special rules may apply in the case of a corporation that experiences an ownership change as the result of a bankruptcy proceeding.

(b) Special Bankruptcy Exceptions

Special rules may apply in the case of a corporation that experiences an “ownership change” as a result of a bankruptcy proceeding. An exception to the foregoing annual limitation rules generally applies when so-called “qualified creditors” of a debtor corporation in chapter 11 receive, in respect of their Claims, at least 50 percent of the vote and value of the stock of the debtor corporation (or a controlling corporation if also in chapter 11) as reorganized pursuant to a confirmed chapter 11 plan (the “382(l)(5) Exception”). If the requirements of the 382(l)(5) Exception are satisfied, a debtor’s Pre-Change Losses would not be limited on an annual basis, but, instead, NOL carryforwards would be reduced by the amount of any interest deductions claimed by the debtor during the three taxable years preceding the effective date of the plan of reorganization and during the part of the taxable year prior to and including the effective date of the plan of reorganization in respect of all debt converted into stock pursuant to the reorganization. If the 382(l)(5) Exception applies and the Reorganized Debtors undergo another “ownership change” within two years after the Effective Date, then the Reorganized Debtors’ Pre-Change Losses thereafter would be effectively eliminated in their entirety.

Where the 382(l)(5) Exception is not applicable to a corporation in bankruptcy (either because the debtor corporation does not qualify for it or the debtor corporation otherwise elects not to utilize the 382(l)(5) Exception), another exception will generally apply (the “382(l)(6) Exception”). Under the 382(l)(6) Exception, the annual limitation will be calculated by reference to the lesser of (i) the value

of the debtor corporation's new stock (with certain adjustments) immediately after the ownership change or (ii) the value of such debtor corporation's assets (determined without regard to liabilities) immediately before the ownership change. This differs from the ordinary rule that requires the fair market value of a debtor corporation that undergoes an "ownership change" to be determined before the events giving rise to the change. The 382(l)(6) Exception also differs from the 382(l)(5) Exception in that, under it, a debtor corporation is not required to reduce its NOL carryforwards by the amount of interest deductions claimed within the prior three-year period and a debtor corporation may undergo a change of ownership within two years without automatically triggering the elimination of its Pre-Change Losses. The resulting limitation would be determined under the regular rules for ownership changes.

The Debtors have not determined whether the 382(l)(5) Exception will be available or, if it is available, whether the Reorganized Debtors will elect out of its application.

C. Certain U.S. Federal Income Tax Consequences of the Plan to U.S. Holders of Class 3 and 4 Claims.

The following discussion assumes that the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan. U.S. Holders of Allowed Claims are urged to consult their tax advisors regarding the tax consequences of the Restructuring Transactions.

The U.S. federal income tax consequences to U.S. Holders of certain Claims may depend on (x) whether the Claims surrendered constitute "securities" for U.S. federal income tax purposes and (y) whether the Debtor against which such Claims are asserted is the same entity for tax purposes that is issuing the consideration under the Plan (or, otherwise, an entity that is a "party to a reorganization" with the Debtor against which such Claims were asserted).

Neither the IRC nor the Treasury Regulations promulgated thereunder defines the term "security." Whether a debt instrument constitutes a "security" for U.S. federal income tax purposes is determined based on all the relevant facts and circumstances, but most authorities have held that the length of the term of a debt instrument is an important factor in determining whether such instrument is a security for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that it is a security. There are numerous other factors that could be taken into account in determining whether a debt instrument is a security, including the security for payment, the creditworthiness of the obligor, the subordination or lack thereof to other creditors, the right to vote or otherwise participate in the management of the obligor, convertibility of the instrument into an equity interest of the obligor, whether payments of interest are fixed, variable, or contingent, and whether such payments are made on a current basis or accrued. Due to the inherently factual nature of the determination, U.S. Holders are urged to consult their tax advisors regarding the status of their Claims as "securities" for U.S. federal income tax purposes.

The character of any gain or loss recognized by a U.S. Holder as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the Holder, the nature of the Claim in such Holder's hands, whether the Claim constitutes a capital asset in the hands of the Holder, whether the Claim was purchased at a discount, and whether and to what extent the Holder has previously claimed a bad debt deduction with respect to its Claim. If recognized gain is capital gain, it generally would be long-term capital gain if the Holder held its Claim for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations as discussed below.

1. Consequence to U.S. Holders of Class 3 – Term Loan Claims.

Pursuant to the Plan, each Holder of an Allowed Term Loan Claim shall receive, in full and final satisfaction of such Allowed Term Loan Claim, its Pro Rata Share of the Term Loan Equity Distribution.

A U.S. Holder of an Allowed Term Loan Claim should be treated as receiving its distribution under the Plan in a taxable exchange under section 1001 of the IRC. Other than with respect to any amounts received that are attributable to accrued but untaxed interest, the U.S. Holder should recognize gain or loss on the Effective Date in an amount equal to the difference, if any, between (a) the fair market value of the New Interests and (b) the Holder's adjusted tax basis in its Allowed Term Loan Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder, whether and to what extent the U.S. Holder had previously claimed a bad-debt deduction with respect to its Claim, and the potential application of the accrued interest, original issue discount, and market discount rules discussed below. If any such recognized gain or loss is capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. The holding period for the consideration received in the exchange should begin the day after the Effective Date.

A U.S. Holder should obtain a tax basis in the New Interests received equal to their respective fair market values.

For the treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but untaxed interest, OID or market discount, see the sections entitled "Accrued Interest (and OID)" and "Market Discount" below.

2. Consequences to U.S. Holders of Class 4 – Asset Financing Agreement Claims.

Pursuant to the Plan, each Holder of an Allowed Asset Financing Agreement Claim (the "Class 4 Claims") shall receive, in full and final satisfaction of such Claim, unless otherwise agreed to by such Holder its Pro Rata share of the applicable Asset Financing Takeback Debt.

Although it cannot be known with certainty at this time the form of any Asset Financing Takeback Debt will take, a U.S. Holder of a Class 4 Claim should be treated as receiving its distribution under the Plan in a taxable exchange under section 1001 of the IRC. Other than with respect to any amounts received that are attributable to accrued but untaxed interest, the U.S. Holder should recognize gain or loss on the Effective Date in an amount equal to the difference, if any, between (a) the issue price (to the extent treated as indebtedness) or fair market value (to the extent not treated as indebtedness), as applicable, of the Asset Financing Takeback Debt received and (b) the Holder's adjusted tax basis in its Class 4 Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder, whether and to what extent the U.S. Holder had previously claimed a bad-debt deduction with respect to its Claim, and the potential application of the accrued interest, original issue discount, and market discount rules discussed below. If any such recognized gain or loss is capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. The holding period for the consideration received in the exchange should begin the day after the Effective Date.

A U.S. Holder should obtain a tax basis in the Asset Financing Takeback Debt received equal to its issue price (to the extent treated as indebtedness) or fair market value (to the extent not treated as indebtedness).

For the treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but untaxed interest, OID or market discount, see the sections entitled “Accrued Interest (and OID)” and “Market Discount” below.

3. Accrued Interest (and OID).

To the extent that any amount received by a U.S. Holder of a Claim under the Plan is attributable to accrued interest or original issue discount (“OID”) during its holding period on the debt instruments constituting the surrendered Claim, the receipt of such amount should be taxable to the U.S. Holder as ordinary interest income (to the extent not already taken into income by the U.S. Holder). Conversely, a U.S. Holder of a Claim may be able to recognize a deductible loss to the extent that any accrued interest on the debt instruments constituting such Claim was previously included in the U.S. Holder’s gross income but was not paid in full by the Debtors. Such loss may be ordinary, but the tax law is unclear on this point.

If the fair market value of the consideration received by a U.S. Holder is not sufficient to fully satisfy all principal and interest on Claims, the extent to which such consideration will be attributable to accrued interest is unclear. Under the Plan, the aggregate consideration to be distributed to Holders of Claims in each Class will be allocated first to the principal amount of such Claims, with any excess allocated to unpaid interest that accrued on these Claims, if any. Certain legislative history indicates that an allocation of consideration as between principal and interest provided in a chapter 11 plan of reorganization is binding for U.S. federal income tax purposes and certain case law generally indicates that a final payment on a distressed debt instrument that is insufficient to repay outstanding principal and interest will be allocated to principal, rather than interest. Certain Treasury Regulations treat payments as allocated first to any accrued but untaxed interest. The IRS could take the position that the consideration received by the U.S. Holder should be allocated in some way other than as provided in the Plan. U.S. Holders of Claims should consult their own tax advisors regarding the proper allocation of the consideration received by them under the Plan.

4. Market Discount.

In the case of a U.S. Holder that acquired its Claim with market discount, any gain recognized on the sale or exchange of such Claim will generally be treated as ordinary income to the extent of the market discount treated as accruing during such U.S. Holder’s holding period for such Claim. Any such market discount is generally the excess of the “revised issue price” of such Claim over such U.S. Holder’s initial tax basis in such Claim upon acquisition if such excess equals or exceeds a statutory de minimis amount. Such market discount is generally treated as accruing during such U.S. Holder’s holding period for such Claim on a straight-line basis or, at the election of such U.S. Holder, on a constant yield basis, unless such U.S. Holder has previously elected to include such market discount in income as it accrues. For this purpose, the “revised issue price” of a Claim generally equals its issue price, increased by the amount of OID that has accrued over the term of the Claim. U.S. Holders who acquired their Claims other than at original issuance should consult their own tax advisors regarding the possible application of the market discount rules to the Restructuring Transactions.

5. U.S. Federal Income Tax Consequences to U.S. Holders of Ownership and Disposition of the Asset Financing Takeback Debt.

The following discussion applies only to Asset Financing Takeback Debt that is treated as indebtedness for U.S. federal income tax purposes and assumes that the “contingent payment debt instrument” (“CPDI”) rules do not apply to the Asset Financing Takeback Debt.

(a) Payments of Qualified Stated Interest.

Payments or accruals on the Asset Financing Takeback Debt, to the extent constituting “qualified stated interest” (as defined below), may be includible in the U.S. Holder’s gross income as ordinary interest income and taxable at the time that such payments are accrued or are received in accordance with such U.S. Holder’s regular method of accounting for U.S. federal income tax purposes. The term “qualified stated interest” generally means stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually during the entire term of the Asset Financing Takeback Debt at a single fixed rate of interest, or, subject to certain conditions, based on one or more interest indices.

(b) Issue Price, Original Issue Discount.

A debt instrument may be treated as issued with OID for U.S. federal income tax purposes if its issue price is less than its stated redemption price at maturity by more than a de minimis amount. A debt instrument’s stated redemption price at maturity includes all principal and interest payable over the term of the debt instrument, other than “qualified stated interest.” For purposes of determining whether there is OID, the de minimis amount is generally equal to $\frac{1}{4}$ of 1 percent of the principal amount of the applicable debt instrument multiplied by the number of complete years to maturity from the original issue date, or if the debt instrument provides for payments other than payments of qualified stated interest before maturity, multiplied by the weighted average maturity of the debt instrument (as determined under applicable Treasury Regulations). If any Asset Financing Takeback Debt is treated as issued with OID, a U.S. Holder of such instrument generally (i) will be required to include the OID in gross income as ordinary interest income as it accrues on a constant yield to maturity basis over the term of the loans in advance of the receipt of the cash attributable to such OID and regardless of the U.S. Holder’s method of accounting for U.S. federal income tax purposes, but (ii) will not be required to recognize additional income upon the receipt of any cash payment on such loans that is attributable to previously accrued OID that has been included in its income. If the amount of OID on any Asset Financing Takeback Debt is de minimis, rather than being characterized as interest, any payment attributable to the de minimis OID generally will be treated as gain from the sale of such loans and a pro rata amount of such de minimis OID must be included in income as principal payments are received on such loans.

As a general matter, in determining the “issue price” of any Asset Financing Asset Financing Takeback Debt, (a) if such loan is “publicly traded,” then the trading value of such loan determines its issue price; (b) if such loan is not “publicly traded,” but the Claim exchanged therefore is “publicly traded,” the trading value of the Claim exchanged therefore determines its issue price (unless such trading values represent mere indicative quotes and a position is established that demonstrates that such indicative quote materially misrepresented the fair market value of such property); and (c) if neither such loan nor the Claim exchanged therefore is “publicly traded,” the issue price of such loan would be its stated redemption price at maturity. A special rule provides that a debt instrument will not be treated as “publicly traded” if at the time the determination is made the outstanding stated principal amount of the issue that includes the debt instrument does not exceed \$100,000,000. In general, a U.S. Holder of Claims must follow the Debtors’ determination of issue price with respect to each debt instrument issued under the Plan, unless such U.S. Holder specifically discloses its disagreement with such determination on the U.S. Holder’s own tax return.

(c) Sale, Taxable Exchange or other Taxable Disposition of the Asset Financing Takeback Debt or the Exit Holdco Loan Facility.

Upon the disposition of any Asset Financing Takeback Debt by sale, exchange, retirement, redemption, or other taxable disposition, a U.S. Holder will generally recognize gain or loss equal to the difference, if any, between (a) the amount realized on the disposition (other than amounts attributable to accrued but untaxed interest, which will be taxed as ordinary interest income to the extent not previously

so taxed) and (b) the U.S. Holder's adjusted tax basis in the Asset Financing Takeback Debt. A U.S. Holder's adjusted tax basis will generally be increased by any accrued OID previously included in such U.S. Holder's gross income and decreased by any payments on the Asset Financing Takeback Debt other than qualified stated interest. A U.S. Holder's gain or loss will generally constitute capital gain or loss and will be long-term capital gain or loss if the U.S. Holder has held the Asset Financing Takeback Debt for longer than one year. Non-corporate taxpayers are generally subject to a reduced federal income tax rate on net long-term capital gains. The deductibility of capital losses is subject to certain limitations.

6. U.S. Federal Income Tax Consequences to U.S. Holders of the Ownership and Disposition of New Interests.

(a) Dividends on New Interests

Any distributions made on account of the New Interests will constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of the Reorganized Debtors as determined under U.S. federal income tax principles. "Qualified dividend income" received by an individual U.S. Holder is subject to preferential tax rates. To the extent that a U.S. Holder receives distributions that exceed such current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing the U.S. Holder's basis in its shares of the New Interests. Any such distributions in excess of the U.S. Holder's basis in its shares (determined on a share-by-share basis) generally will be treated as capital gain.

Subject to applicable limitations, distributions treated as dividends paid to U.S. Holders that are corporations generally will be eligible for the dividends-received deduction so long as there are sufficient earnings and profits. However, the dividends-received deduction is only available if certain holding period requirements are satisfied. The length of time that a shareholder has held its stock is reduced for any period during which the shareholder's risk of loss with respect to the stock is diminished by reason of the existence of certain options, contracts to sell, short sales, or similar transactions. In addition, to the extent that a corporation incurs indebtedness that is directly attributable to an investment in the stock on which the dividend is paid, all or a portion of the dividends-received deduction may be disallowed.

(b) Sale, Redemption, or Repurchase of New Interests

Unless a non-recognition provision applies, U.S. Holders generally will recognize capital gain or loss upon the sale, redemption, or other taxable disposition of the New Interests. Such capital gain will be long-term capital gain if at the time of the sale, exchange, retirement, or other taxable disposition, the U.S. Holder has held the New Interests for more than one year, taking into account the holding period rules described above. Long-term capital gains of an individual taxpayer generally are taxed at preferential rates. The deductibility of capital losses is subject to certain limitations.

7. Limitations on Use of Capital Losses.

A U.S. Holder who recognizes capital losses will be subject to limits on their use of capital losses. For a non-corporate U.S. Holder, capital losses may be used to offset any capital gains (without regard to holding periods) plus ordinary income to the extent of the lesser of (a) \$3,000 (\$1,500 for married individuals filing separate returns) or (b) the excess of the capital losses over the capital gains. A non-corporate U.S. Holder may carry over unused capital losses and apply them to capital gains and a portion of their ordinary income for an unlimited number of years. For corporate U.S. Holders, losses from the sale or exchange of capital assets may only be used to offset capital gains. A corporate U.S. Holder who has more capital losses than can be used in a tax year may be allowed to carry over the excess capital losses for use in succeeding tax years. Corporate U.S. Holders may only carry over unused capital losses

for the five years following the capital loss year but are allowed to carry back unused capital losses to the three years preceding the capital loss year.

8. Medicare Tax

Certain U.S. Holders that are individuals, estates, or trusts are required to pay an additional 3.8 percent tax on, among other things, interest, dividends and gains from the sale or other disposition of capital assets. U.S. Holders that are individuals, estates, or trusts should consult their own tax advisors regarding the effect, if any, of this tax provision on their ownership and disposition of any consideration to be received under the Plan.

D. Certain U.S. Federal Income Tax Consequences of the Plan to Non-U.S. Holders.

The following discussion assumes that the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan and includes only certain U.S. federal income tax consequences of the Plan to Non-U.S. Holders. This discussion does not include any non-U.S. tax considerations. The rules governing the U.S. federal income tax consequences to Non-U.S. Holders are complex. Each Non-U.S. Holder is urged to consult its own tax advisor regarding the U.S. federal, state, local, non-U.S., and non-income tax consequences of the consummation of the Plan to such Non-U.S. Holder and, if applicable, the ownership and disposition of consideration received pursuant to the Plan.

1. Gain Recognition.

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

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

2. U.S. Federal Income Tax Consequences to Non-U.S. Holders of the Ownership and Disposition of New Interests.

(a) Dividends on New Interests

Any distributions made with respect to New Interests will constitute dividends for U.S. federal income tax purposes to the extent of the issuer's current or accumulated earnings and profits as determined under U.S. federal income tax principles (and thereafter first as a return of capital which reduces basis and then, generally, capital gain). Except as described below, such dividends paid with respect to stock held by a Non-U.S. Holder that are not effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or

business (or if an income tax treaty applies, are not attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) will be subject to U.S. federal withholding tax at a rate of 30 percent (or lower treaty rate or exemption from tax, if applicable). A Non-U.S. Holder generally will be required to satisfy certain IRS certification requirements in order to claim a reduction of or exemption from withholding under a tax treaty by filing IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, (or a successor form) upon which the Non-U.S. Holder certifies, under penalties of perjury, its status as a non-U.S. person and its entitlement to the lower treaty rate or exemption from tax with respect to such payments. Dividends paid with respect to stock held by a Non-U.S. Holder that are effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business (and if an income tax treaty applies, are attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) generally will be subject to U.S. federal income tax in the same manner as a U.S. Holder, and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the dividends at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty).

(b) Sale, Redemption, or Repurchase of New Interests

A Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to any gain realized on the sale or other taxable disposition (including a cash redemption) of stock unless:

- such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition or who is subject to special rules applicable to former citizens and residents of the United States;
- such gain is effectively connected with such Non-U.S. Holder's conduct of a U.S. trade or business (and, if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States); or
- the issuer of such stock is or has been during a specified testing period a "U.S. real property holding corporation" (a "USRPHC") under the FIRPTA rules (as defined and discussed below).

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of disposition of stock. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to such gain in the same manner as a U.S. Holder, and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to earnings and profits effectively connected with a U.S. trade or business that are attributable to such gains at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty).

With respect to the FIRPTA rules, it has not yet been determined whether Reorganized Ascend is likely to be treated as a USRPHC. Under FIRPTA, gain on the disposition of certain investments in U.S. real property is subject to U.S. federal income tax in the hands of Non-U.S. Holders and treated as ECI that is subject to U.S. federal net income tax even if a Non-U.S. Holder is not otherwise engaged in a U.S. trade or business. In general, a corporation is a USRPHC if the fair market value of the corporation's U.S. real property interests (as defined in the IRC and applicable Treasury Regulations) equals or exceeds 50% of the aggregate fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business (applying certain look-through rules to evaluate the assets of subsidiaries) at any

time within the shorter of the 5-year period ending on the effective time of the applicable disposition or the period of time the Non-U.S. Holder held such interest.

Taxable gain from the disposition of an interest in a USRPHC (generally equal to the difference between the amount realized and such Non-U.S. Holder's adjusted tax basis in such interest) will constitute ECI. Further, the buyer of the New Interests or Applicable Preferred may be required to withhold a tax equal to 15% of the amount realized on the sale. The amount of any such withholding would be allowed as a credit against the Non-U.S. Holder's U.S. federal income tax liability and may entitle the Non-U.S. Holder to a refund, provided that the Non-U.S. Holder properly and timely files a tax return with the IRS. However, in the event the New Interests or Applicable Preferred is "regularly traded on an established securities market" within the meaning of FIRPTA, the withholding obligation described above would not apply, even if a Non-U.S. Holder is subject to the substantive FIRPTA tax.

Under the FIRPTA rules, if the stock of a USRPHC is regularly traded on an established securities market, a person that holds 5% or less of such stock will not be subject to substantive FIRPTA taxation or FIRPTA withholding upon a disposition of its shares, and FIRPTA withholding upon dispositions will generally be inapplicable other than in the case of certain distributions and redemptions by the issuer. Whether and when the New Interests or Applicable Preferred of Reorganized GCEH will be considered regularly traded on an established securities market will depend, in part, on whether a market develops in such equity, and cannot currently be determined. The FIRPTA provisions will also not apply if, at the time of a disposition, the corporation does not directly or indirectly hold any United States real property interests ("USRPIs") and it had directly or indirectly disposed of all of the USRPIs it directly or indirectly owned in one or more fully taxable transactions.

3. U.S. Federal Income Tax Consequences to Non-U.S. Holders of Payments of Interest and of the Ownership and Disposition of Asset Financing Takeback Debt.

(a) Payments of Interest (Including Interest Attributable to Accrued but Untaxed Interest)

Subject to the discussion of backup withholding and FATCA below, interest income (which, for purposes of this discussion of Non-U.S. Holders, includes OID and accrued but untaxed interest, including in each case any such amounts paid to a Non-U.S. Holder under the Plan) of a Non-U.S. Holder that is not effectively connected with a U.S. trade or business carried on by the Non-U.S. Holder will qualify for the so-called "portfolio interest exemption" and, therefore, will not be subject to U.S. federal income tax or withholding, provided that:

- the Non-U.S. Holder does not own, actually or constructively, a 10% or greater interest in the Reorganized Debtor that is the issuer of the applicable Asset Financing Takeback Debt within the meaning of Section 871(h)(3) of the IRC and Treasury Regulations thereunder;
- the Non-U.S. Holder is not a controlled foreign corporation related to the Reorganized Debtor that is the issuer of the applicable Asset Financing Takeback Debt, actually or constructively through the ownership rules under Section 864(d)(4) of the IRC;
- the Non-U.S. Holder is not a bank that is receiving the interest on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;
- the beneficial owner gives the Reorganized Debtor that is the issuer of the applicable Asset Financing Takeback Debt or such person's paying agent an appropriate IRS Form W-8 (or

suitable substitute or successor form or such other form as the IRS may prescribe) that has been properly completed and duly executed establishing its status as a Non-U.S. Holder; and

- the interest is not “contingent interest” within the meaning of the portfolio interest rules.

If not all of these conditions are met, interest on the Asset Financing Takeback Debt paid to a Non-U.S. Holder or interest paid to a Non-U.S. Holder pursuant to the Plan that is not effectively connected with a U.S. trade or business carried on by the Non-U.S. Holder will generally be subject to U.S. federal income tax and withholding at a 30% rate, unless an applicable income tax treaty reduces or eliminates such withholding and the Non-U.S. Holder claims the benefit of that treaty by providing an appropriate IRS Form W-8 (or a suitable substitute or successor form or such other form as the IRS may prescribe) that has been properly completed and duly executed. If interest on the Debt or interest paid to a Non-U.S. Holder pursuant to the Plan is effectively connected with a U.S. trade or business carried on by the Non-U.S. Holder (“ECI”), the Non-U.S. Holder will be required to pay U.S. federal income tax on that interest on a net income basis generally in the same manner as a U.S. Holder and the 30% withholding tax described above will not apply, provided the appropriate statement is provided to the applicable issuer or its paying agent (as described above), unless an applicable income tax treaty provides otherwise.

To claim an exemption from withholding, such non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or suitable substitute or successor form or such other form as the IRS may prescribe). If a Non-U.S. Holder is eligible for the benefits of any income tax treaty between the United States and its country of residence, any interest income that is ECI will be subject to U.S. federal income tax in the manner specified by the treaty if the Non-U.S. Holder claims the benefit of the treaty by providing an appropriate IRS Form W-8 (or a suitable substitute or successor form or such other form as the IRS may prescribe) that has been properly completed and duly executed. In addition, a corporate Non-U.S. Holder may, under certain circumstances, be subject to an additional “branch profits tax” at a 30% rate, or, if applicable, a lower treaty rate, on its effectively connected earnings and profits attributable to such interest (subject to adjustments).

The certifications described above must be provided to the applicable withholding agent prior to the payment of interest and, as applicable, must be updated periodically. Non-U.S. Holders that do not timely provide the applicable withholding agent with the required certification, but that qualify for a reduced rate under an applicable income tax treaty, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

Until more terms of the Asset Financing Takeback Debt are known, the Debtors cannot determine whether any amount of interest will be “contingent interest” within the meaning of these rules.

(b) Sale, Taxable Exchange, or Other Disposition of Asset Financing Takeback Debt

With respect to any Asset Financing Takeback Debt that is treated as indebtedness for U.S. federal income tax purposes, a Non-U.S. Holder will generally not be subject to U.S. federal income tax on any gain realized on a sale, exchange, retirement, redemption or other taxable disposition of the Asset Financing Takeback Debt (other than any amount representing accrued but unpaid interest on the loan) unless:

- the gain is ECI (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment that such Non-U.S. Holder maintains); or

- in the case of a Non-U.S. Holder who is a nonresident alien individual, such Holder is present in the United States for 183 or more days in the taxable year and certain other requirements are met.

If a Non-U.S. Holder falls under the first of these exceptions, unless an applicable income tax treaty provides otherwise, the holder will generally be taxed on the net gain derived from the disposition of the Asset Financing Takeback Debt under the graduated U.S. federal income tax rates that are applicable to U.S. Holders and, if the Non-U.S. Holder is a foreign corporation, it may also be subject to the branch profits tax described above. To claim an exemption from withholding, such non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or suitable substitute or successor form or such other form as the IRS may prescribe). If an individual Non-U.S. Holder falls under the second of these exceptions, the holder generally will be subject to U.S. federal income tax at a rate of 30% (unless a lower applicable treaty rate applies) on the amount by which the gain derived from the disposition exceeds such Holder's capital losses allocable to sources within the United States for the taxable year of the sale.

E. FATCA.

Under legislation commonly referred to as the Foreign Account Tax Compliance Act ("FATCA"), foreign financial institutions and certain other foreign entities must report certain information with respect to their U.S. account holders and investors or be subject to withholding at a rate of 30 percent on the receipt of "withholdable payments." For this purpose, "withholdable payments" are generally U.S.-source payments of fixed or determinable, annual or periodical income, and, subject to the paragraph immediately below, also include gross proceeds from the sale of any property of a type which can produce U.S.-source interest or dividends. FATCA withholding will apply even if the applicable payment would not otherwise be subject to U.S. federal nonresident withholding.

Withholding with respect to the gross proceeds of a disposition of any stock, debt instrument, or other property that can produce U.S.-source dividends or interest has been eliminated under proposed Treasury Regulations, which can be relied on until final regulations become effective. Nonetheless, there can be no assurance that a similar rule will not go into effect in the future.

Each Non-U.S. Holder is urged to consult its own tax advisor regarding the possible impact of FATCA withholding rules on such Non-U.S. Holder.

F. Information Reporting and Back-Up Withholding.

The Debtors, Reorganized Debtors, and any other applicable withholding agents will withhold all amounts required by law to be withheld from payments of interest and dividends, whether in connection with distributions under the Plan or in connection with payments made on account of consideration received pursuant to the Plan, and will comply with all applicable information reporting requirements. The IRS may make the information returns reporting such interest and dividends and withholding available to the tax authorities in the country in which a Non-U.S. Holder is resident. In general, information reporting requirements may apply to distributions or payments made to a Holder of a Claim under the Plan. Additionally, under the backup withholding rules, a Holder may be subject to backup withholding (currently at a rate of 24 percent) with respect to distributions or payments made pursuant to the Plan unless that Holder: (a) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates that fact; or (b) timely provides a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the Holder is not subject to backup withholding (generally in the form of a properly executed IRS Form W-9 for a U.S. Holder, and, for a Non-U.S. Holder, in the form of a properly executed applicable IRS Form W-8 (or otherwise establishes such Non-U.S. Holder's eligibility for an exemption)). Backup withholding is not

an additional tax but is, instead, an advance payment that may be refunded to the extent it results in an overpayment of tax; *provided* that the required information is timely provided to the IRS.

In addition, from an information reporting perspective, Treasury Regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. Holders subject to the Plan are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the Holders' tax returns.]

XIII. RECOMMENDATION

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

Dated: August 12, 2025

Ascend Performance Materials Holdings Inc.
on behalf of itself and all other Debtors

/s/ Robert Del Genio

Robert Del Genio
Chief Restructuring Officer,
Ascend Performance Materials Holdings Inc.

Exhibit A

Plan of Reorganization

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

ASCEND PERFORMANCE MATERIALS
HOLDINGS INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 25-90127 (CML)
)
)
) (Jointly Administered)
)

**JOINT CHAPTER 11 PLAN OF REORGANIZATION OF ASCEND
PERFORMANCE MATERIALS HOLDINGS INC. AND ITS DEBTOR AFFILIATES²**

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*Co-Counsel to the Debtors
and Debtors in Possession*

*Co-Counsel to the Debtors
and Debtors in Possession*

Dated: August 12, 2025

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' Claims and Noticing Agent at <https://dm.epiq11.com/Ascend>. The location of Debtor Ascend Performance Materials Holdings Inc.'s principal place of business is 1010 Travis St., Suite 900, Houston, Texas 77002.

² All Definitive Documents (as defined herein and in the DIP Term Loan Credit Agreement), including the Plan and the Disclosure Statement remain subject to ongoing review, revision, and further negotiation by the Debtors, the Ad Hoc Group, the Agents, and the DIP ABL Lenders who have various consent rights over the final forms of Definitive Documents. Definitive Documents may be amended, modified, supplemented, and revised in accordance with those ongoing negotiations. All parties reserve their rights to make additional revisions to the Plan and Disclosure Statement.

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INTRODUCTION

Ascend Performance Materials Holdings Inc. and the other above-captioned debtors and debtors in possession (collectively, the “Debtors”), propose this joint chapter 11 plan of reorganization (as amended, supplemented, or otherwise modified from time to time, the “Plan” or this “Plan”) for the resolution of the outstanding Claims against, and Interests in, the Debtors pursuant to chapter 11 of the Bankruptcy Code. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in Article I.A. of this Plan. Although proposed jointly for administrative purposes, this Plan constitutes a separate Plan for each Debtors. Holders of Claims against, or Interests in, the Debtors may refer to the Disclosure Statement for a discussion of the Debtors’ history, businesses, assets, risk factors, results of operations, historical financial information, and projections of future operations, as well as a summary and description of this Plan, the Restructuring Transactions, and certain related matters. The Debtors are the proponents of this Plan within the meaning of section 1129 of the Bankruptcy Code. The classification of Claims and Interests set forth in Article III of this Plan apply separately with respect to each Plan proposed by each Debtors, as applicable, and as set forth herein. This Plan does not contemplate substantive consolidation of any of the Debtors.

ALL HOLDERS OF CLAIMS THAT ARE ENTITLED TO VOTE ON THIS PLAN ARE ENCOURAGED TO READ THE PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. ALL HOLDERS OF CLAIMS AND INTERESTS SHOULD REVIEW THE SECURITIES LAW RESTRICTIONS AND NOTICES SET FORTH IN THIS PLAN (INCLUDING WITHOUT LIMITATION, UNDER Article IV.D.2 AND ARTICLE IV.M HEREOF) IN FULL.

THE ISSUANCE OF ANY SECURITIES REFERRED TO IN THIS PLAN SHALL NOT CONSTITUTE AN INVITATION OR OFFER TO SELL, OR THE SOLICITATION OF ANY INVITATION OR OFFER TO BUY, ANY SECURITIES IN CONTRAVENTION OF APPLICABLE LAW IN ANY JURISDICTION. NO ACTION HAS BEEN TAKEN, NOR WILL BE TAKEN IN ANY JURISDICTION THAT WOULD PERMIT A PUBLIC OFFERING OF ANY SECURITIES REFERRED TO IN THIS PLAN (OTHER THAN SECURITIES ISSUED PURSUANT TO SECTION 1145 OF THE BANKRUPTCY CODE IN A DEEMED PUBLIC OFFERING) IN ANY JURISDICTION WHERE SUCH ACTION FOR THAT PURPOSE IS REQUIRED.

ARTICLE I. DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME, AND GOVERNING LAW

A. Defined Terms.

As used in this Plan, capitalized terms have the meanings set forth below.

1. “*36th Street Financing Agreement*” means that certain agreement, dated as of January 26, 2024, by and among APM Ops, TCSEF Texas, LP, and the other parties thereto, together with all amendments, modifications, schedules, and supplements thereto, as may be amended, restated, supplemented, or otherwise modified from time to time.
2. “*ABL Advisors*” means (a) Greenberg Traurig, LLP, as U.S. counsel to the ABL Agent and DIP ABL Agent, (b) Mayer Brown International, as U.K. counsel to the ABL Agent and DIP ABL Agent, (c) Carl Marks Advisory Group LLC, as financial advisor to the ABL Agent and DIP ABL Agent, and (d) any other local or foreign counsel to the ABL Agent and the DIP ABL Agent, in consultation with counsel to the Company Parties.
3. “*ABL Agent*” means Wells Fargo Capital Finance, LLC, in its capacity as administrative agent under the ABL Credit Agreement.
4. “*ABL Credit Agreement*” means that certain Third Amended and Restated Credit Agreement, dated as of August 27, 2019, by and among certain of the Debtors party thereto, certain of the Non-Debtor Subsidiaries party thereto, the guarantors from time to time party thereto, the lenders and issuing banks from time to time party thereto, and the ABL Agent, as amended by that certain Increase Joinder to Third Amended and Restated Credit Agreement,

dated as of December 30, 2021, as amended by that certain Third Amendment to Third Amended and Restated Credit Agreement, dated as of October 28, 2022, as amended by that certain Fourth Amendment to Third Amended and Restated Credit Agreement, dated as of February 5, 2024, as amended by that certain Fifth Amendment to Third Amended and Restated Credit Agreement and Forbearance Agreement, dated as of April 1, 2025, and as amended by that certain Sixth Amendment to Third Amended and Restated Credit Agreement and Reaffirmation of Forbearance Agreement dated as of April 16, 2025.

5. “*ABL Facility*” means that certain asset-based revolving credit facility issued under the ABL Credit Agreement.

6. “*ABL Lenders*” means the lenders from time to time party to the ABL Credit Agreement.

7. “*Ad Hoc Group*” means that certain ad hoc group of the DIP Term Loan Lenders, the Bridge Lenders, and Term Loan Lenders represented by the Ad Hoc Group Advisors.

8. “*Ad Hoc Group Advisors*” means, collectively: (a) Gibson, Dunn & Crutcher LLP, as counsel to the Ad Hoc Group; (b) Evercore Group L.L.C., as financial advisor to the Ad Hoc Group; (c) Howley Law PLLC, as local counsel to the Ad Hoc Group; and (d) any other local or foreign counsels to the Ad Hoc Group or any other professionals or advisors retained by the Ad Hoc Group, in consultation with counsel to the Company Parties.

9. “*Ad Hoc Group Steerco*” means that certain steering committee of the Ad Hoc Group.

10. “*Administrative Claim*” means a Claim against any of the Debtors arising before the Effective Date for the costs and expenses of the administration of the Chapter 11 Cases pursuant to sections 330, 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses of preserving the Estates and operating the businesses of the Debtors incurred on or after the Petition Date and through the Effective Date; (b) the Allowed Professional Claims; (c) the DIP Adequate Protection Claims; (d) the Restructuring Expenses; (e) all fees and charges assessed against the Estates under chapter 123 of the Judicial Code; and (f) the Disinterested Director Fee Claims.

11. “*Administrative Claims Bar Date*” means the applicable deadline by which all requests for payment of Administrative Claims, other than Claims arising under section 503(b)(9) of the Bankruptcy Code and the Restructuring Expenses, must be Filed and served on the Debtors or the Reorganized Debtors, as applicable, which shall be: (a) with respect to Administrative Claims other than Professional Claims, thirty (30) days after the Effective Date; and (b) with respect to Professional Claims, forty-five (45) days after the Effective Date.

12. “*Affiliate*” has the meaning set forth in section 101(2) of the Bankruptcy Code. Notwithstanding anything to the contrary in the Plan, no Excluded Party shall constitute an Affiliate under this Plan.

13. “*Agent*” means any administrative agent, collateral agent, escrow agent, or similar Entity under the Bridge Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, the DIP ABL Credit Agreement, and the DIP Term Loan Credit Agreement, including any successors thereto. For the avoidance of doubt, Agents include the ABL Agent, the DIP ABL Agent, and the DIP Term Loan Agent.

14. “*Allowed*” means, with respect to any Claim or Interest (or portion thereof), except as otherwise provided herein: (a) a Claim or Interest that is evidenced by a Proof of Claim Filed by the Claims Bar Date or a request for payment of an Administrative Claim Filed by the Administrative Claims Bar Date, as applicable (or for which Claim a Proof of Claim is not required under this Plan, the Bankruptcy Code, or a Final Order, including the DIP Order); (b) a Claim or Interest that is scheduled by the Debtors as not contingent, not unliquidated, and not Disputed, and for which no Proof of Claim or proof of Interest, as applicable, has been timely Filed; or (c) a Claim or Interest allowed pursuant to this Plan or a Final Order, including the DIP Order; *provided* that with respect to a Claim or Interest described in clauses (a) and (b) above, such Claim or Interest shall be Allowed only if and to the extent that with respect to such Claim or Interest no objection to the allowance thereof is interposed within the applicable period of time fixed by this Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or such an objection is so interposed and the Claim or Interest has been Allowed by a Final Order. Any Claim or Interest that has been or is

hereafter listed on the Schedules as contingent, unliquidated, or Disputed, and for which no contrary or superseding Proof of Claim or proof of Interest is or has been timely Filed, or that is not or has not been Allowed by a Final Order, is not considered Allowed and shall be expunged without further action by the Debtors and without further notice to any party or action, approval, or order of the Bankruptcy Court. Notwithstanding anything to the contrary herein, no Claim of any Entity subject to section 502(d) of the Bankruptcy Code shall be deemed Allowed unless and until such Entity pays in full the amount that it owes the applicable Debtor or Reorganized Debtor, as applicable. Notwithstanding anything to the contrary in this Plan, (a) a Proof of Claim Filed after the Claims Bar Date or a request for payment of an Administrative Claim Filed after the Administrative Claims Bar Date, as applicable, shall not be Allowed for any purposes whatsoever absent entry of a Final Order allowing such late-Filed Claim and (b) any Claim held by an Excluded Party shall be deemed Disputed unless otherwise determined by the Special Committee based on the outcome of the Independent Investigation with the consent of the Required DIP Term Loan Lenders. “Allow” and “Allowing” shall have correlative meanings.

15. “*Ansley Park Financing Agreement*” means that certain agreement, dated as of November 13, 2024, by and among Ascend Performance Materials Texas Inc., Ansley Park Capital LLC, and the other parties thereto, together with all amendments, modifications, schedules, and supplements thereto, as may be amended, restated, supplemented, or otherwise modified from time to time.

16. [“*APM Disc*” means APM Disc Holdings LLC, a limited liability company formed under the Laws of the state of Delaware.]³

17. “*APM Ops*” means Ascend Performance Materials Operations LLC, a limited liability company formed under the Laws of the state of Delaware.

18. “*Ascend*” means Ascend Performance Materials Holdings Inc., a corporation formed under the Laws of the state of Delaware.

19. “*Asset Financing Agreement Claims*” means any and all Claims against a Debtor arising from, or based upon, the Asset Financing Agreements.

20. “*Asset Financing Agreements*” means, collectively, the Citizens CoGen Financing Agreement, the Capteris Financing Agreement, the Ansley Park Financing Agreement, the 36th Street Financing Agreement, the Stonebriar Rectifier Financing Agreement, the Stonebriar HMD Financing Agreement, and the Stonebriar P2K Financing Agreement.

21. “*Asset Financing Agreement Schedule*” means the schedule setting forth the applicable takeback debt for the Asset Financing Agreement Claims.

22. “*Asset Financing Takeback Debt*” means the takeback debt to be distributed to the Holders of Allowed Asset Financing Agreement Claims.

23. “*Asset Financing Takeback Debt Documents*” means, collectively, any and all agreements, documents, and instruments delivered or entered into in connection with the Asset Financing Takeback Debt, including the Asset Financing Agreement Schedule and any amendments, modifications, or supplements related thereto, and including any related notes, certificates, agreements, intercreditor agreements, security agreements, documents, and instruments (including any amendments, restatements, supplements, or modifications of any of the foregoing) related to or executed in connection therewith.

24. “*Avoidance Actions*” means any and all actual or potential avoidance, recovery, subordination, or other Claims, Causes of Action, or remedies that may be brought by, or on behalf of, the Debtors or their Estates or other authorized parties in interest under the Bankruptcy Code or applicable non-bankruptcy Law, including Claims, Causes

³ The treatment of the Disc Entities remains subject to ongoing review.

of Action, or remedies arising under chapter 5 of the Bankruptcy Code, or other similar or related local, state, federal, or foreign statutes, common Law, including fraudulent transfer Law or other applicable Law.

25. “*Bankruptcy Code*” means title 11 of the United States Code, 11 U.S.C. §§ 101–1532, as amended from time to time, and as applicable to the Chapter 11 Cases.

26. “*Bankruptcy Court*” means the United States Bankruptcy Court for the Southern District of Texas.

27. “*Bankruptcy Rules*” means the Federal Rules of Bankruptcy Procedure promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of the Bankruptcy Court, each, as amended from time to time, and as applicable to the Chapter 11 Cases.

28. “*Bridge Credit Agreement*” means that certain Super Priority Credit Agreement, dated as of March 7, 2025, by and among certain of the Debtors party thereto, the guarantors from time to time party thereto, Wilmington Savings Fund Society, FSB, as administrative agent and collateral agent, and each lender from time to time party thereto, as amended by that certain Amendment No. 1 to Super Priority Credit Agreement, dated as of March 13, 2025, that certain Incremental Amendment No. 1 and Amendment No. 2 to Super Priority Credit Agreement, dated as of March 25, 2025, and that certain Incremental Amendment No. 2 and Amendment No. 3 to Super Priority Credit Agreement, dated as of April 1, 2025.

29. “*Bridge Facility*” means those certain term loan facilities issued pursuant to the Bridge Credit Agreement, including any fees and interest that have been paid in kind.

30. “*Bridge Lenders*” means the lenders from time to time party to the Bridge Credit Agreement.

31. “*Bridge Loan Claims*” means any Secured Claim on account of the Bridge Loan Documents, including (a) any Claim against any Debtor arising from, or based upon, the Bridge Loan Documents, which shall be Allowed in the aggregate amount of \$149,542,180.98, *plus* all other obligations related thereto, including any accrued and unpaid interest, premiums, costs, fees, and indemnities and (b) any DIP Adequate Protection Claims granted as adequate protection for the benefit of the Bridge Lenders.

32. “*Bridge Loan Documents*” has the meaning ascribed to “Prepetition Super Priority Term Loan Documents” in the DIP Orders.

33. “*Business Day*” means any day other than a Saturday, Sunday, “legal holiday” (as defined in Bankruptcy Rule 9006(a)), or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state of New York. When a period of days under this Agreement ends on a day that is not a Business Day, then such period shall be extended to the specified hour of the following Business Day.

34. “*Capteris Financing Agreement*” means that certain agreement, dated as of November 28, 2023, by and among APM Ops, JPMorgan Chase Bank, N.A., and the other parties thereto, together with all amendments, modifications, schedules, and supplements thereto, as may be amended, restated, supplemented, or otherwise modified from time to time.

35. “*Cash*” means cash and cash equivalents, including bank deposits, checks, and other similar items in legal tender in the state of New York.

36. “*Cash Collateral*” has the meaning set forth in section 363(a) of the Bankruptcy Code.

37. “*Causes of Action*” means, collectively, any and all claims, interests, damages, remedies, causes of action, reimbursement Claims, contribution Claims, recoupment rights, debts, judgments, demands, rights, actions, controversies, proceedings, agreements, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, Liens, Avoidance Actions, counterclaims and cross claims, indemnities, guaranties, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, Disputed or undisputed, secured or unsecured, assertable,

asserted or unasserted, direct or indirect, choate or inchoate, reduced to judgment or otherwise, directly or derivatively, matured or unmatured, suspected or unsuspected, whether arising before, on, or after the Petition Date, in contract, tort, Law, equity, or otherwise pursuant to any theory of Law. “Causes of Action” also includes: (a) all rights of setoff, counterclaim, or recoupment and Claims under contracts or for breaches of duties imposed by Law or in equity; (b) any Claim based on, or relating to, or in any manner arising from, in whole or in part, tort, breach of contract, breach of fiduciary duty, violation of state or federal Law or breach of any duty imposed by Law or in equity, including Securities Laws, negligence, and gross negligence; (c) the right to object to or otherwise contest Claims or Interests; (d) Claims pursuant to section 362 or chapter 5 of the Bankruptcy Code; (e) such Claims and defenses as fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of the Bankruptcy Code; (f) any other Avoidance Actions; and (g) with respect to each of the Excluded Parties, all of the aforementioned Causes of Action that can be or may be asserted against any Excluded Party.

38. “*Chapter 11 Cases*” means (a) when used with reference to a particular Debtor, the case pending for that Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court and (b) when used with reference to all the Debtors, the procedurally consolidated and jointly administered chapter 11 cases pending for the Debtors in the Bankruptcy Court.

39. “*Citizens CoGen Financing Agreement*” means that certain agreement, dated as of March 13, 2020, by and among APM Ops, Citizens Asset Finance, and the other parties thereto, together with all amendments, modifications, schedules, and supplements thereto, as may be amended, restated, supplemented, or otherwise modified from time to time.

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

41. “*Claims and Noticing Agent*” means Epiq Corporate Restructuring, LLC, the claims, noticing, and solicitation agent retained by the Debtors in the Chapter 11 Cases.

42. “*Claims Bar Date*” means the date established by the Bankruptcy Court by which Proofs of Claim must be Filed with respect to all Claims, other than Administrative Claims, Claims held by Governmental Units, or other Claims or Interests for which the Bankruptcy Court entered an order excluding the Holders of such Claims or Interests from the requirement of Filing Proofs of Claim.

43. “*Claims Objection Deadline*” means the deadline for objecting to a Claim asserted against a Debtor, which shall be on the date that is the later of (a) 180 days after the Effective Date and (b) such other period of limitation as may be specifically fixed by the Debtors or the Reorganized Debtors, or by an order of the Bankruptcy Court for objecting to such Claims.

44. “*Claims Register*” means the official register of Claims maintained by the Claims and Noticing Agent.

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

46. “*CM/ECF*” means the Bankruptcy Court’s case management and electronic case filing system.

47. “*Committee*” means the official statutory committee of unsecured creditors, appointed in the Chapter 11 Cases by the U.S. Trustee, pursuant to the *Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 223], on May 5, 2025 and reconstituted pursuant to the *United States Trustee’s Notice of Reconstitution of the Official Committee of Unsecured Creditors* [Docket No. 664], on July 17, 2025.

48. “*Company Parties*” means, collectively, the Debtors and the Non-Debtor Subsidiaries.

49. “*Compensation and Benefits Programs*” means all employment and severance agreements and policies, and all employment, wages, compensation, benefit plans, policies, workers’ compensation programs, savings plans, retirement plans, deferred compensation plans, supplemental executive retirement plans, healthcare plans, disability

plans, severance benefit plans, incentive and retention plans, programs, and payments, life and accidental death and dismemberment insurance plans, and programs of the Debtors, and all amendments and modifications thereto, applicable to the Debtors' employees, former employees, retirees, and non-employee directors and managers, the employees, former employees, and retirees of their subsidiaries, including all savings plans, retirement plans, health care plans, disability plans, severance benefit agreements, and plans, incentive plans, deferred compensation plans and life, accidental death, and dismemberment insurance plans, in each case existing with the Debtors as of immediately prior to the Effective Date.

50. “*Confirmation*” means the Bankruptcy Court’s entry of the Confirmation Order on the docket of the Chapter 11 Cases.

51. “*Confirmation Date*” means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

52. “*Confirmation Hearing*” means the hearing to be held by the Bankruptcy Court to consider the Confirmation of this Plan, pursuant to Bankruptcy Rule 3020(b)(3) and sections 1128 and 1129 of the Bankruptcy Code, as such hearing may be continued from time to time.

53. “*Confirmation Order*” means the order of the Bankruptcy Court confirming this Plan pursuant to section 1129 of the Bankruptcy Code.

54. “*Consummation*” means the occurrence of the Effective Date as to the applicable Debtor.

55. “*Cure*” means 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 Debtors pursuant to sections 365 or 1123 of the Bankruptcy Code, other than a default that is not required to be cured pursuant to section 365(b)(2) of the Bankruptcy Code.

56. “*D&O Liability Insurance Policies*” means all insurance policies (including any “tail policy”) covering any of the Debtors’ current or former directors’, officers’, managers’, and/or employees’ liability and all agreements, documents, or instruments relating thereto.

57. “*Debt Backstop Parties*” means at any time and from time to time, the members of the Ad Hoc Group Steerco that have committed to backstop the Debt Rights Offering in accordance with the Rights Offering Procedures and the Rights Offering Subscription Form. Each Debt Backstop Party may assign all or a portion of its backstop only to (a) any other Debt Backstop Party, or (b) their Lender Fund Affiliates, as set forth in the Rights Offering Procedures and the Rights Offering Subscription Form.

58. “*Debt Backstop Premium*” has the meaning ascribed to it in the Debt Rights Offering Documents and described in Article IV.D.3(d) of this Plan.

59. “*Debt Rights Offering*” means the offering of the Debt Subscription Rights to be conducted in accordance with the Debt Rights Offering Documents.

60. “*Debt Rights Offering Amount*” means \$[100,000,000].

61. “*Debt Rights Offering Documents*” means, collectively, any and all other agreements, documents, and instruments delivered or entered into in connection with the Debt Rights Offering, including the Exit Holdco Loan Documents and any procedures or forms related to the exercise of the Debt Subscription Rights.

62. “*Debt Rights Offering Eligible Offerees*” means, collectively, the Holders of the DIP Term Loan Claims and/or their Lender Fund Affiliates, as set forth in the Rights Offering Procedures.

63. “*Debt Rights Offering Participant*” means, collectively, the Debt Rights Offering Eligible Offerees that validly exercise their respective Debt Subscription Rights and agree to fund the Exit Holdco Loan Facility.

64. “*Debt Subscription Rights*” means the rights to participate in the Exit Holdco Loan Facility (including the receipt of New Interests pursuant to the Exit Holdco Loan Conversion to the extent applicable) pursuant to the Debt Rights Offering Documents.

65. “*Definitive Documents*” means: (a) this Plan; (b) the Confirmation Order; (c) the Disclosure Statement; (d) the Disclosure Statement Order; (e) the Solicitation Materials; (f) the Plan Supplement; (g) the DIP Documents; (h) the DIP Orders; (i) the MIP Term Sheet; (j) the New Organizational Documents; (k) the Exit ABL Facility Documents; (l) the Exit Holdco Loan Documents; (m) the Debt Rights Offering Documents; (n) the Equity Rights Offering Documents; (o) the Asset Financing Takeback Debt Documents; and (p) the New Equityholders’ Documents, in each case, including any amendments, modifications, and supplements. For the avoidance of doubt, all Definitive Documents shall be subject to the consent of the Required DIP Term Loan Lenders and any other terms or conditions as outlined in the Plan, including the consent, approval, and consultation rights of the Required DIP ABL Lenders and the DIP ABL Agent set forth in Article I.H of this Plan.

66. “*DIP ABL Agent*” means Wells Fargo Capital Finance, LLC, in its capacity as administrative agent under the DIP ABL Credit Agreement.

67. “*DIP ABL Claims*” means any Claim arising under the DIP ABL Documents or the DIP Orders with respect to the DIP ABL Facility.

68. “*DIP ABL Credit Agreement*” means that certain ABL Credit Agreement attached as Exhibit A to that certain Ratification and Amendment Agreement, dated as of April 23, 2025, by and among certain of the Debtors party thereto, certain of the Non-Debtor Subsidiaries party thereto, the guarantors party thereto, the DIP ABL Agent, and each lender and issuing bank from time to time party thereto, as may be amended, restated, supplemented, or otherwise modified from time to time.

69. “*DIP ABL Documents*” means, collectively, DIP ABL Credit Agreement and any amendments, modifications, or supplements thereto, and including any related notes, certificates, agreements, intercreditor agreements, security agreements, documents, and instruments (including any amendments, restatements, supplements, or modifications of any of the foregoing) related to or executed in connection therewith.

70. “*DIP ABL Facility*” means the asset-based revolving credit facility provided to the Debtors on the terms and conditions set forth in the DIP ABL Documents and the DIP Orders.

71. “*DIP ABL Lenders*” means the lenders from time to time party to the DIP ABL Credit Agreement.

72. “*DIP Adequate Protection Claims*” has the meaning ascribed to “507(b) Claims” in the DIP Orders.

73. “*DIP Agents*” means, collectively, the DIP ABL Agent and the DIP Term Loan Agent.

74. “*DIP Budget*” means the initial debtor-in-possession financing budget attached to the Interim DIP Order, and any subsequent debtor-in-possession financing budget agreed to in accordance with the DIP Orders.

75. “*DIP Claims*” means, collectively, any DIP ABL Claims and any DIP Term Loan Claims.

76. “*DIP Documents*” means, collectively, the DIP ABL Documents, the DIP Term Loan Documents, the DIP Budget, and any amendments, modifications, or supplements thereto, and including any related notes, certificates, agreements, intercreditor agreements, security agreements, documents, and instruments (including any amendments, restatements, supplements, or modifications of any of the foregoing) related to or executed in connection therewith.

77. “*DIP Equity Recovery*” means the number of New Interests equal to (a) (i) the Allowed amount of the DIP Term Loan Claims *divided* by (ii) 1.00 *minus* the Discount to Plan Equity Value *divided* by (b) the Reorganized Equity Price Per Share.

78. “*DIP Facilities*” means, collectively, the DIP ABL Facility and the DIP Term Loan Facility.

79. “*DIP Lenders*” means, collectively, the DIP ABL Lenders and the DIP Term Loan Lenders.

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

81. “*DIP Term Loan Agent*” means Wilmington Savings Fund Society, FSB, in its capacity as administrative agent under the DIP Term Loan Credit Agreement.

82. “*DIP Term Loan Claims*” means any Claim arising under the DIP Term Loan Documents or the DIP Orders with respect to the DIP Term Loan Facility, including, without limitation, the Bridge Loan Claims.

83. “*DIP Term Loan Credit Agreement*” means that certain Superpriority Senior Secured Debtor-in-Possession Term Loan Credit Agreement, dated as of April 23, 2025, by and among certain of the Debtors party thereto, certain of the Non-Debtor Subsidiaries party thereto, the guarantors from time to time party thereto, Wilmington Savings Fund Society, FSB, as administrative and collateral agent, and each lender from time to time party thereto, as may be amended, restated, supplemented, or otherwise modified from time to time.

84. “*DIP Term Loan Documents*” means, collectively, DIP Term Loan Credit Agreement and any amendments, modifications, or supplements thereto, and including any related notes, certificates, agreements, intercreditor agreements, security agreements, documents, and instruments (including any amendments, restatements, supplements, or modifications of any of the foregoing) related to or executed in connection therewith.

85. “*DIP Term Loan Facility*” means the superpriority senior secured debtor-in-possession financing facility provided to the Debtors on the terms and conditions set forth in the DIP Term Loan Documents and the DIP Orders.

86. “*DIP Term Loan Lenders*” means the lenders from time to time party to the DIP Term Loan Credit Agreement.

87. “*Disclosure Statement*” means the related disclosure statement with respect to this Plan, including all exhibits and schedules thereto and references therein that relate to this Plan, as may be amended, supplemented, or modified from time to time, that is prepared and distributed in accordance with the Bankruptcy Code, the Bankruptcy Rules, and any other applicable Law.

88. “*Disclosure Statement Order*” means the order (and all exhibits thereto), entered by the Bankruptcy Court approving, among other things, the Disclosure Statement and the Solicitation Materials, and allowing solicitation of the Plan to commence.

89. “*Discount to Plan Equity Value*” means [●] %.

90. “*Disinterested Director*” means each of independent and disinterested managers and directors of each of the boards of managers and boards of directors, as applicable, of each of the Debtors.

91. “*Disinterested Director Fee Claims*” means all due and owing unpaid fees and expenses as of the Effective Date due to the Disinterested Directors of each of the Debtors pursuant to their respective director agreements with the applicable Debtor Entity. On the Effective Date, the Disinterested Director Fee Claims shall be deemed Allowed Administrative Claims against the Debtors.

92. “*Disputed*” means, as to a Claim or an Interest, any Claim or Interest (or portion thereof): (a) that is not Allowed; (b) that is not disallowed by this Plan, the Bankruptcy Code, or a Final Order, as applicable; (c) as to which a dispute is being adjudicated by a court of competent jurisdiction in accordance with non-bankruptcy Law; (d) that

is Filed in the Bankruptcy Court and not withdrawn, as to which a timely objection or a request for estimation has been Filed; and (e) with respect to which a party in interest has Filed a Proof of Claim or otherwise made a written request to a Debtor for payment, without any further notice to or action, order, or approval of the Bankruptcy Court. Any and all Claims asserted by any of the Excluded Parties are Disputed.

93. “*Distribution Agent*” means, as applicable, the Reorganized Debtors or any Entity or Entities selected by the Debtors or the Reorganized Debtors, as applicable, to make or to facilitate distributions pursuant to this Plan, which Entity may include the Claims and Noticing Agent or the Agents, as applicable.

94. “*Distribution Date*” means, except as otherwise set forth herein, the date or dates determined by the Debtors or the Reorganized Debtors, as applicable, on or after the Effective Date, with the first such date occurring on or as soon as reasonably practicable after the Effective Date, upon which the Distribution Agent shall make distributions to Holders of Allowed Claims that are entitled to receive distributions under this Plan.

95. “*Distribution Record Date*” means, other than with respect to publicly held Securities, the record date for purposes of making distributions under this Plan on account of Allowed Claims, which date shall be on or before the Effective Date or such other date agreed to by the Debtors.

96. “*DTC*” means the Depository Trust Company.

97. “*Effective Date*” means, as to the applicable Debtor, the date that is the first Business Day on which (a) no stay of the Confirmation Order is in effect and (b) all conditions precedent to the occurrence of the Effective Date set forth in Article IX.A of this Plan have been satisfied or waived in accordance with Article IX.C of this Plan. Any action to be taken on the Effective Date may be taken on or as soon as reasonably practicable thereafter.

98. “*Entity*” has the meaning set forth in section 101(15) of the Bankruptcy Code.

99. “*Equity Backstop Parties*” means at any time and from time to time, the members of the Ad Hoc Group Steerco that have committed to backstop the Equity Rights Offering in accordance with the Rights Offering Procedures and the Rights Offering Subscription Form. Each Equity Backstop Party may assign all or a portion of its backstop to (a) any other Equity Backstop Party, or (b) their Lender Fund Affiliates, as set forth in the Rights Offering Procedures and the Rights Offering Subscription Form.

100. “*Equity Backstop Premium*” has the meaning ascribed to it in the Equity Rights Offering Documents and as described in Article IV.D.1(e) of this Plan.

101. “*Equity Rights Offering*” means the offering of Equity Subscription Rights, to be conducted pursuant to and the Rights Offering Procedures, as further detailed Article IV.D.1 of this Plan.

102. “*Equity Rights Offering Amount*” means \$[100,000,000].

103. “*Equity Rights Offering Documents*” means, collectively, any and all agreements, documents, and instruments delivered or entered into in connection with the Equity Rights Offering, including the Rights Offering Procedures.

104. “*Equity Rights Offering Eligible Offerees*” means, collectively, the Holders of the DIP Term Loan Claims and/or their Lender Fund Affiliates, as set forth in the Rights Offering Procedures.

105. “*Equity Rights Offering Participant*” means, collectively, the Equity Rights Offering Eligible Offerees that validly exercise their respective Equity Subscription Rights.

106. “*Equity Subscription Rights*” means the rights to purchase the Rights Offering Interests pursuant to the Equity Rights Offering.

107. “*Estate*” means, as to each Debtor, the estate created for such Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code upon the commencement of such Debtor’s Chapter 11 Case.

108. “*Exchange Act*” means the Securities Exchange Act of 1934, as amended, 15 U.S.C. § 78a, *et seq.* or any similar federal, state, or local Law, as now in effect or hereafter amended and the rules and regulations promulgated thereunder.

109. “*Excluded Parties*” means all Entities that are identified on the Schedule of Excluded Parties, which shall include all Entities that are subject to the Independent Investigation; *provided* that any Entity may be removed from this definition and the Schedule of Excluded Parties if such removal is both (a) determined by the Special Committee based on the outcome of the Independent Investigation and (b) consented to by the Required DIP Term Loan Lenders; *provided, further*, that, for the avoidance of doubt, none of the Debtors, the Non-Debtor Subsidiaries, or the Reorganized Debtors shall be an Excluded Party. For the avoidance of doubt, any Entity identified on the Schedule of Excluded Parties shall not be deemed a Related Party or an Affiliate of the Debtors, the Non-Debtor Subsidiaries, or the Reorganized Debtors for the purposes of the releases, injunctions, and exculpations contained in this Plan. The Debtors and the Required DIP Term Loan Lenders will agree on a reasonably tax-efficient structure to retain any Claims or Causes of Action against the Excluded Parties, which may include the Reorganized Debtors retaining such Claims or Causes of Action or such Claims or Causes of Action vesting in a litigation trust or another alternative vehicle; *provided* that the sole beneficiaries of any such litigation trust shall be the Holders of the DIP Term Loan Claims, the DIP Adequate Protection Claims, and the Term Loan Claims until all such Claims are paid in full.

110. “*Exculpated Parties*” means, collectively, and in each case in its capacity as such: (a) each of the Debtors; (b) each of the Reorganized Debtors; and (c) each of the Disinterested Directors of the Debtors.

111. “*Executory Contract*” means a contract to which one or more of the Debtors is a party and that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

112. “*Exit ABL Credit Agreement*” means the credit agreement governing the Exit ABL Facility.

113. “*Exit ABL Facility*” means that certain asset-based revolving credit facility to be issued on the Effective Date pursuant to the Exit ABL Credit Agreement.

114. “*Exit ABL Facility Documents*” means the Exit ABL Credit Agreement and any other agreements, documents, and instruments delivered or entered into in connection therewith, including, without limitation, any guarantee agreements, pledge, and collateral agreements, intercreditor agreements, and other security documents.

115. “*Exit ABL Facility Loans*” means the loans outstanding from time to time under the Exit ABL Facility.

116. “*Exit ABL Lenders*” means the lenders from time to time party to the Exit ABL Credit Agreement.

117. “*Exit Holdco Credit Agreement*” means the credit agreement governing the Exit Holdco Loan Facility. For the avoidance of doubt, the Exit Holdco Credit Agreement must be in form and substance consistent with the terms set forth in Article IV.D.1, Article IV.D.5, and Article IV.D.3 of this Plan and the Exit Holdco Loan Term Sheet as Filed on or prior to the voting deadline.

118. “*Exit Holdco Lenders*” means the lenders from time to time party to the Exit Holdco Credit Agreement.

119. “*Exit Holdco Loan Conversion*” means, to the extent applicable, pursuant to the terms and conditions set forth in the Exit Holdco Loan Term Sheet, the Exit Holdco Credit Agreement, and Article IV.D.5(e) of this Plan, the conversion of all outstanding principal issued under the Exit Holdco Loan Facility into New Interests.

120. “*Exit Holdco Loan Documents*” means the Exit Holdco Credit Agreement, the Exit Holdco Loan Term Sheet, and any other agreements, documents, and instruments delivered or entered into in connection therewith, including, without limitation, any guarantee agreements, pledge, and collateral agreements, intercreditor agreements, and other security documents.

121. “*Exit Holdco Loan Facility*” means that certain term loan facility to be issued on the Effective Date by Reorganized Ascend pursuant to the Exit Holdco Credit Agreement.

122. “*Exit Holdco Loan Term Sheet*” means the term sheet outlining all material terms for the Exit Holdco Loan Facility in form and substance consistent with the terms set forth in Article IV.D.5 of this Plan. The Exit Holdco Loan Term Sheet must be (a) approved by the Required DIP Term Loan Lenders, (b) Filed in agreed form on or prior to the voting deadline, and (c) consistent with Article IV.D.5 of this Plan.

123. “*Federal Judgment Rate*” means the federal judgment rate in effect as of the Petition Date.

124. “*File*” means file, filed, or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases. “Filed” and “Filing” shall have correlative meanings.

125. “*Final DIP Order*” means the *Final Order (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Granting Liens and Providing Claims with Superpriority Administrative Expense Status, (III) Authorizing the Use of Cash Collateral, (IV) Modifying the Automatic Stay, and (V) Scheduling a Final Hearing* [Docket No. 389], entered by the Bankruptcy Court on May 27, 2025, as may be modified from time to time.

126. “*Final Order*” means, as applicable, an order or judgment of the Bankruptcy Court or another court of competent jurisdiction with respect to the relevant subject matter that has not been reversed, stayed, vacated, modified, or amended, as entered on the docket in any Chapter 11 Case or the docket of any court of competent jurisdiction, and as to which the time to appeal, seek certiorari, or move for a new trial, reargument, or rehearing has expired and no appeal, petition for certiorari, or other proceedings for a new trial, reargument, or rehearing thereof has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be timely Filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument, or rehearing will have been denied, resulted in no stay pending appeal of such order, or has otherwise been dismissed with prejudice; *provided, however*, that the possibility that a motion under Rules 59 or 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules (or any analogous rules applicable in another court of competent jurisdiction) or section 502(j) or 1144 of the Bankruptcy Code has been or may be Filed with respect to such order or judgment will not preclude such order from being a Final Order.

127. “*First Lien Agents*” means, collectively, the ABL Agent and the Term Loan Agent.

128. “*General Unsecured Claim*” means any Claim against any of the Debtors that is not: (a) paid in full prior to the Effective Date pursuant to an order of the Bankruptcy Court; (b) a DIP Claim; (c) an Administrative Claim; (d) a Priority Tax Claim; (e) a Secured Tax Claim; (f) an Other Secured Claim; (g) an Other Priority Claim; (h) a Term Loan Claim; (i) an Intercompany Claim; or (j) a Section 510(b) Claim. For the avoidance of doubt, General Unsecured Claims include (i) Claims resulting from the rejection of Executory Contracts and Unexpired Leases, (ii) Claims resulting from litigation against one or more of the Debtors, (iii) the Term Loan Deficiency Claims, and (iv) Claims between the Sponsor or its Affiliates, on the one hand, and any Debtor or its Affiliates, on the other hand.

129. “*Governmental Unit*” has the meaning set forth in section 101(27) of the Bankruptcy Code.

130. “*Holder*” means an Entity that is the record owner of a Claim against, or an Interest in, any Debtor, as applicable. For the avoidance of doubt, affiliated record owners of Claims or Interests managed or advised by the same institution shall constitute separate Holders.

131. “*Impaired*” means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is “impaired” within the meaning of section 1124 of the Bankruptcy Code.

132. “*Independent Investigation*” means the independent director investigation conducted by the Special Committee.

133. “*Initial Share Count*” means the number of New Interests issued to Holders of Allowed Term Loan Claims on the Effective Date pursuant to their Class 3 Plan recovery.

134. “*Insider*” has the meaning set forth in section 101(31) of the Bankruptcy Code.

135. “*Intercompany Claim*” means any Claim held by a Debtor or Non-Debtor Subsidiary against another Debtor or Non-Debtor Subsidiary. In no event shall any Claim held by a Debtor or a Non-Debtor Subsidiary against any of the Excluded Parties be considered an Intercompany Claim.

136. “*Intercompany Interest*” means an Interest in a Debtor or Non-Debtor Subsidiary held by another Debtor or Non-Debtor Subsidiary. In no event shall any Interest held by a Debtor or a Non-Debtor Subsidiary against any of the Excluded Parties be considered an Intercompany Interest.

137. “*Interests*” means, collectively, the shares (or any class thereof), common stock, preferred stock, limited liability company interests, partnership interests, membership interests, and any other equity, ownership, or profits interests of any Company Party and options, warrants, rights, stock appreciation rights, phantom units, incentives, commitments, calls, redemption rights, repurchase rights, or other Securities or agreements to acquire or subscribe for, or which are convertible into, or exercisable or exchangeable for, the shares (or any class thereof) of, common stock, preferred stock, limited liability company interests, partnership interests, membership interests, or any other equity, ownership, or profits interests of any [Company Party] (in each case whether or not arising under or in connection with any employment agreement and regardless of whether such equity interests are held directly or indirectly).

138. “*Interim DIP Order*” means the *Revised Interim Order (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Granting Liens and Providing Claims with Superpriority Administrative Expense Status, (III) Authorizing the Use of Cash Collateral, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing, and (VI) Granting Related Relief* [Docket No. 96] entered by the Bankruptcy Court on April 23, 2025.

139. “*IRS*” means the Internal Revenue System.

140. “*Judicial Code*” means title 28 of the United States Code, 28 U.S.C. §§ 1–4001, as amended from time to time, and as applicable to the Chapter 11 Cases.

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

142. “*Lender Fund Affiliates*” means any of the following, with respect to the Holders of the DIP Term Loan Claims, (a) any Affiliates or related funds, accounts, investment funds, vehicles, Entities, or managed funds that are managed, advised, sub-advised, or under common management or advisement by such Holder, its Affiliates, or the same Person or Entity as such Holder or its Affiliates, or (b) for the Entities described in the foregoing clause (a), any of their designees, in accordance with the Equity Rights Offering Documents and the Debt Rights Offering Documents and the related procedures.

143. “*Lien*” has the meaning set forth in section 101(37) of the Bankruptcy Code.

144. “*Management Incentive Plan*” means a management incentive plan, in form and substance consistent with the MIP Term Sheet, to be designed and adopted by the New Board on or after the Effective Date, to be used to incentivize and compensate employees, directors, consultants, and other service providers, which will include (a) the ability to grant Interests representing [●]% of the New Interests of Reorganized Ascend on a fully diluted basis and (b) other terms and conditions customary for similar type equity plans as determined by the New Board in its sole discretion (including, with respect to participants, allocation of awards, and vesting).

145. “*MIP Term Sheet*” means a term sheet providing for certain material terms of the Management Incentive Plan, to be Filed with the Plan Supplement.

146. “*New Board*” means the board of directors or similar governing body of Reorganized Ascend.

147. “*New Equityholders’ Agreement*” means the document providing for the corporate governance of Reorganized Ascend, to be Filed with the Plan Supplement. The New Equityholders’ Agreement must be in form and substance consistent with the terms set forth in Article IV.D.1, Article IV.D.5, and Article IV.D.3 of this Plan and the New Equityholders’ Term Sheet as Filed.

148. “*New Equityholders’ Documents*” means the New Equityholders’ Agreement, the New Equityholders’ Term Sheet, and any amendments, modifications, or supplements related thereto, and including any related agreements, documents, and instruments (including any amendments, modifications, or supplements of the foregoing) delivered or entered into in connection therewith.

149. “*New Equityholders’ Term Sheet*” means the term sheet outlining all material terms for the New Equityholders’ Agreement. The New Equityholders’ Term Sheet must be (a) approved by the Required DIP Term Loan Lenders, (b) Filed in agreed form on or prior to the voting deadline, and (c) in form and substance consistent with the terms set forth in Article IV.D.1, Article IV.D.5, and Article IV.D.3 of this Plan.

150. “*New Interests*” means equity interests, common stock, membership interests, or limited liability company interests, as applicable, in accordance with the Restructuring Transactions Memorandum, to be issued by Reorganized Ascend on or after the Effective Date.

151. “*New Organizational Documents*” means, collectively and as applicable, the New Equityholders’ Documents, and any other organizational and governance documents for Reorganized Ascend and the other Reorganized Debtors, as applicable, including, but not limited to, any charters, bylaws, certificates of incorporation, certificates of formation, limited liability company agreements, operating agreements, or other organizational documents or shareholders’ agreements, as applicable, which shall be set forth in the Plan Supplement, consistent with section 1123(a)(6) of the Bankruptcy Code, as applicable.

152. “*Non-Debtor Subsidiaries*” means the direct and indirect subsidiaries of Ascend that are not Debtors.

153. “*Other Priority Claim*” means any Claim against any of the Debtors other than an Administrative Claim or a Priority Tax Claim that is entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

154. “*Other Secured Claim*” means any Secured Claim other than a DIP Claim, a DIP Adequate Protection Claim, a Secured Tax Claim, or a Term Loan Claim.

155. “*Person*” has the meaning set forth in section 101(41) of the Bankruptcy Code.

156. “*Petition Date*” means April 21, 2025, the date on which the Debtors commenced the Chapter 11 Cases.

157. “*Plan Distribution*” means a payment or distribution to the Holders of Allowed Claims, Allowed Interests, or other eligible Entities under and in accordance with this Plan.

158. “*Plan Equity Value*” means the equity value of Reorganized Ascend as of the Effective Date.

159. “*Plan Supplement*” means the compilation of documents and forms of documents, term sheets, agreements, schedules, and exhibits to this Plan (in each case, as may be altered, amended, modified, or supplemented from time to time in accordance with the terms hereof and in accordance with the Bankruptcy Code and the Bankruptcy Rules) to be Filed prior to the Confirmation Hearing to the extent available, and any additional documents Filed prior to the Effective Date as amendments to the Plan Supplement, including the following, as applicable: (a) the New Equityholders’ Agreement; (b) the New Equityholders’ Term Sheet; (c) to the extent known, the identities of the members of the New Board; (d) the Rejected Executory Contracts and Unexpired Leases Schedule; (e) the Schedule of Retained Causes of Action; (f) the Schedule of Proposed Cure Amounts; (g) the MIP Term Sheet; (h) the Schedule of Excluded Parties; (i) the Restructuring Transactions Memorandum; (j) the Exit ABL Credit Agreement; (k) the Debt Rights Offering Documents; (l) the Equity Rights Offering Documents; and (m) the Asset Financing Agreement

Schedule. The Debtors (with the consent of the Required DIP Term Loan Lenders and the reasonable consent of the Required DIP ABL Lenders) shall have the right to alter, amend, modify, or supplement the documents contained in the Plan Supplement up to the Effective Date as set forth in this Plan. For the avoidance of doubt, all Plan Supplement documents shall be subject to the consent of the Required DIP Term Loan Lenders and any other terms or conditions as outlined in the Plan, including the consent, approval, and consultation rights of the Required DIP ABL Lenders and the DIP ABL Agent set forth in Article I.H of this Plan.

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

161. “*Pro Rata*” means, as of the applicable record date, the proportion that an Allowed Claim in a particular Class bears to the aggregate amount of Allowed Claims in such Class.

162. “*Professional*” means an Entity: (a) employed in the Chapter 11 Cases pursuant to a Bankruptcy Court order in accordance with sections 327, 328, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered prior to or on the Confirmation Date, pursuant to sections 327, 328, 329, 330, 331, and 363 of the Bankruptcy Code; or (b) awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

163. “*Professional Claim*” means any Claim by a Professional seeking an award by the Bankruptcy Court of compensation for services rendered or reimbursement of expenses incurred by such Professionals through and including the Confirmation Date under sections 330, 331, 503(b)(2), 503(b)(3), 503(b)(4), or 503(b)(5) of the Bankruptcy Code to the extent that such fees and expenses have not been paid pursuant to an order of the Bankruptcy Court and/or in the ordinary course of business and consistent with past practice. To the extent that the Bankruptcy Court denies or reduces by a Final Order any amount of a Professional’s requested fees and expenses, then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Professional Claim. For the avoidance of doubt, the Restructuring Expenses shall not be considered Professional Claims, and any such amounts shall be paid in accordance with the DIP Orders and the Plan, as applicable.

164. “*Professional Fee Amount*” means the aggregate amount of Professional Claims and other unpaid fees and expenses that the Professionals, estimate they have incurred or will incur in rendering services to the Debtors prior to and as of the Effective Date, which estimates the Professionals shall deliver to the Debtors as set forth in Article II.C of this Plan.⁴

165. “*Professional Fee Escrow Account*” means an interest-bearing account funded by the Debtors or the Reorganized Debtors, as applicable, with Cash on the Effective Date in an amount equal to the Professional Fee Amount.

166. “*Proof of Claim*” means a proof of Claim Filed against any of the Debtors in the Chapter 11 Cases by the Claims Bar Date or the applicable Administrative Claims Bar Date, as applicable.

167. “*Reinstate*” means with respect to Claims and Interests, that the Claim or Interest shall not be discharged hereunder, and the Holder’s legal, equitable, and contractual rights on account of such Claim or Interest shall remain unaltered by Consummation and rendered Unimpaired in accordance with section 1124 of the Bankruptcy Code. “Reinstate” and “Reinstatement” shall have correlative meanings.

168. “*Rejected Executory Contracts and Unexpired Leases Schedule*” means the schedule of Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to this Plan, as the same may be amended, modified, or supplemented from time to time.

⁴ Subject to ongoing review. The Debtors and the Ad Hoc Group continue to negotiate the terms of the Professional Fee Escrow Account.

169. “*Related Party*” means, collectively, with respect to any Person or Entity, each of, and in each case in its capacity as such, such Person’s or Entity’s current and former directors, managers, officers, committee members, members of any governing body, equityholders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, managed accounts or funds, predecessors, participants, successors, assigns (whether by operation of Law or otherwise), subsidiaries, current, former, and future associated Entities, Affiliates, partners, limited partners, general partners, principals, members, management companies, fund advisors or managers, fiduciaries, trustees, employees, agents, trustees, advisory board members, financial advisors, attorneys (including any other attorneys or professionals retained by any current or former director or manager in his or her capacity as director or manager of an Entity), accountants, investment bankers, consultants, representatives, and other professionals and advisors and any such Person’s or Entity’s respective heirs, executors, estates, and nominees. Notwithstanding anything to the contrary in the Plan, no Excluded Party shall constitute a Related Party.

170. “*Released Claims*” means any Claims or Interests that have been released, satisfied, terminated, discharged, or are subject to compromise, settlement, or exculpation pursuant to this Plan. For the avoidance of doubt, no Claim or Cause of Action against any Excluded Party shall be a Released Claim.

171. “[*Released Parties*”⁵ means, collectively, and in each case in its capacity as such: (a) each of the Debtors; (b) each of the Reorganized Debtors; (c) each of the DIP ABL Lenders; (d) each of the ABL Lenders; (e) each member of the Ad Hoc Group (including in their capacity as DIP Term Loan Lenders, Bridge Lenders, Term Loan Lenders, Debt Backstop Parties, and Equity Backstop Parties, as applicable); (f) each of the Releasing Parties that is not an Excluded Party; (g) each of the Agents; (h) each current and former Affiliate of each Entity in clause (a) through the following clause (i); and (i) each Related Party of each Entity in clause (a) through this clause (i); *provided* that, in each case, an Entity shall not be a Released Party if it: (i) elects to opt out of the releases contained in Article VIII.D hereof; (ii) timely objects to the releases contained in Article VIII.D hereof and such objection is not resolved before Confirmation; or (iii) is an Excluded Party.]⁶

172. “*Releasing Parties*” means, collectively, and in each case in its capacity as such: (a) each of the Debtors; (b) each of the Reorganized Debtors; (c) each of the DIP ABL Lenders; (d) each of the ABL Lenders; (e) each member of the Ad Hoc Group (including in their capacity as DIP Term Loan Lenders, Bridge Lenders, Term Loan Lenders, Debt Backstop Parties, and Equity Backstop Parties, as applicable); (f) each of the Agents; (g) all Holders of Claims that vote to accept this Plan; (h) all Holders of Claims who are deemed to accept the Plan; (i) all Holders of Claims who abstain from voting on this Plan; (j) all Holders of Claims or Interests who vote to reject this Plan or are deemed to reject this Plan; (k) to the maximum extent permitted by Law, each current and former Affiliate of each Entity in clause (a) through the following clause (l); and (l) to the maximum extent permitted by Law, each Related Party of each Entity in clause (a) through this clause (l); *provided* that, in each case, an Entity in clause (h) through clause (l) shall not be a Releasing Party if it: (i) affirmatively elects to opt out of the releases contained in Article VIII.D by checking the box on the applicable ballot or notice of non-voting status indicating that they opt not to grant the releases provided for in the Plan; or (ii) timely objects to the releases contained in Article VIII.D hereof and such objection is not resolved before Confirmation.

173. “*Reorganized Ascend*” means either Ascend, or any successor or assignee thereto, by merger, consolidation, reorganization, or otherwise, in the form of a new corporation, limited liability company, partnership, or other Entity that may be formed, or any Entity designated by the Debtors in connection with the implementation of the Restructuring Transactions and in accordance with the Restructuring Transactions Memorandum, which in any case shall be the ultimate parent of the Company Parties on and after the Effective Date.

174. “*Reorganized Debtor*” means a Debtor as reorganized pursuant to and under this Plan, or any successor or assignee thereto, by merger, consolidation, reorganization, or otherwise, in the form of a corporation, limited

⁵ The parties to be “Released Parties” remains subject to ongoing review.

⁶ Subject to the Independent Investigation.

liability company, partnership, or other form in accordance with the Restructuring Transactions Memorandum, as the case may be, on and after the Effective Date, including Reorganized Ascend.

175. “*Reorganized Equity Price Per Share*” means the Plan Equity Value *divided* by the Initial Share Count.

176. “*Required DIP ABL Lenders*” has the meaning ascribed to “Required Lenders” in the DIP ABL Credit Agreement.

177. “*Required DIP Term Loan Lenders*” has the meaning ascribed to “Required Lenders” in the DIP Term Loan Credit Agreement.

178. “*Restructuring Expenses*” means the reasonable, documented, and due and owing fees and out-of-pocket expenses of (a) the Ad Hoc Group Advisors, (b) the ABL Advisors, (c) the DIP Agents, (d) the First Lien Agents, and (e) the advisors to each of the foregoing set forth in clauses (c) and (d) (including, in each case, fees and expenses incurred before, on, or after the Petition Date, to the extent applicable) accrued since the inception of their respective engagements and continuing through the implementation of the Restructuring Transactions and in accordance with their respective engagement letters or fee letters with the Company Parties and/or any applicable order of the Bankruptcy Court; *provided* that any and all fixed monthly fees, restructuring fees, liability management fees, and/or transaction fees shall be deemed reasonable to the extent provided for in the respective engagement letter or fee letter between the Debtors and any of the foregoing set forth in clauses (a) through (e).

179. “*Restructuring Transactions*” means any transaction and any actions as may be necessary or appropriate to effect a corporate restructuring of the Debtors’ and the Reorganized Debtors’ respective businesses or a corporate restructuring of the overall corporate structure of the Debtors on the terms set forth in this Plan and the Restructuring Transactions Memorandum, the issuance of all Securities, notes, instruments, certificates, and other documents required to be issued or executed pursuant to this Plan, one or more intercompany mergers, consolidations, amalgamations, arrangements, continuances, restructurings, conversions, dissolutions, transfers, liquidations, or other corporate transactions, as more fully set forth in Article IV.B of this Plan.

180. “*Restructuring Transactions Memorandum*” means a document that will set forth a summary of the transaction steps to be carried out to effectuate the Restructuring Transactions in accordance with this Plan.

181. “*Rights Offering Interests*” means any New Interests to be issued pursuant to the Equity Rights Offering.

182. “*Rights Offering Procedures*” means those certain procedures governing the Equity Rights Offering and the Debt Rights Offering, respectively.

183. “*Rights Offering Subscription Form*” means that certain subscription form, including any supplements or amendments thereto, governing the Equity Rights Offering and the Debt Rights Offering, respectively.

184. “*Schedule of Excluded Parties*” means the schedule of Entities based on (a) the determination of the Special Committee based on the outcome of the Independent Investigation and (b) the consent of the Required DIP Term Loan Lenders, to be Filed no later than entry of the Disclosure Statement Order.

185. “*Schedule of Proposed Cure Amounts*” means any schedule (including any amendments, supplements, or modifications thereto) of the Debtors’ good faith estimate of proposed Cure amounts (if any) with respect to each of the Executory Contracts and Unexpired Leases to be assumed by the Debtors pursuant to the Plan.

186. “*Schedule of Retained Causes of Action*” means the schedule of certain Causes of Action of the Debtors that shall vest in the Reorganized Debtors, in accordance with this Plan and/or the Confirmation Order on the Effective Date that are not released, waived, or transferred pursuant to this Plan, as the same may be amended, modified, or supplemented from time to time. For the avoidance of doubt, the Schedule of Retained Causes of Action shall include (a) any and all Claims and Causes of Action against the Excluded Parties and (b) all Avoidance Actions that (i) were not already released by the Debtors pursuant to an order of the Court and (ii) are against Holders of General Unsecured Claims that are not Holders of Term Loan Deficiency Claims. For the avoidance of doubt, any Avoidance Actions,

Claims, and Causes of Action that are determined to be released by the Special Committee and with the consent of the Required DIP Term Loan Lenders shall not be included on the Schedule of Retained Causes of Action.

187. “SEC” means the United States Securities and Exchange Commission.

188. “*Section 510(b) Claim*” means any Claim or Interest against a Debtor subject to subordination under section 510(b) of the Bankruptcy Code, whether by operation of Law or contract.

189. “*Secured Claim*” means a Claim that is: (a) secured by a valid, perfected, and enforceable Lien on collateral in which any of the Debtors has an interest to the extent of the value of the Debtors’ interest in such collateral and to the extent of the value of such collateral, as determined in accordance with section 506(a) of the Bankruptcy Code; (b) subject to a valid right of setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the amount that is subject to setoff as determined pursuant to section 506(a) of the Bankruptcy Code; or (c) Allowed pursuant to the Plan, or separate order of the Bankruptcy Court, as a secured claim.

190. “*Secured Tax Claim*” means any Secured Claim that, absent its secured status, would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code (determined irrespective of time limitations), including any related Secured Claim for penalties.

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

192. “*Security*” means any security, as defined in section 2(a)(1) of the Securities Act.

193. “*Solicitation Materials*” means, collectively, all documents, forms, ballots, notices, and other materials provided in connection with the solicitation of votes on this Plan pursuant to sections 1125 and 1126 of the Bankruptcy Code, including the Disclosure Statement.

194. “*Special Committee*” means, collectively, the special committee of independent and disinterested managers and directors of each of the boards of managers and boards of directors, as applicable, of each of the Debtors.

195. “*Sponsor*” means, collectively, SK Titan Holdings LLC and any of its current and former direct and indirect shareholders, Insiders, officers, directors, managers, successors, assigns, and subsidiaries and its current and former Affiliates (except for the Debtors and the Debtors’ direct and indirect Non-Debtor Subsidiaries).

196. “*Stonebriar HMD Financing Agreement*” means that certain agreement, dated as of December 27, 2023, by and among APM Ops and Stonebriar Commercial Finance LLC, together with that certain equipment schedule No. 1 thereunder, dated as of December 27, 2023, and all amendments, modifications, and supplements thereto, as may be amended, restated, supplemented, or otherwise modified from time to time.

197. “*Stonebriar P2K Financing Agreement*” means that certain agreement, dated as of December 27, 2023, by and among APM Ops and Stonebriar Commercial Finance LLC, together with that certain equipment schedule No. 2 thereunder, dated as of June 26, 2024, and all amendments, modifications, and supplements thereto, as may be amended, restated, supplemented, or otherwise modified from time to time.

198. “*Stonebriar Rectifier Financing Agreement*” means that certain agreement, dated as of January 8, 2020, by and among APM Ops, Stonebriar Commercial Finance LLC, as assignee of Citizens Asset Finance, and the other parties thereto, together with all amendments, modifications, schedules, and supplements thereto, as may be amended, restated, supplemented, or otherwise modified from time to time.

199. “*Term Loan Agent*” means Wilmington Savings Fund Society, FSB, in its capacity as administrative agent under the Term Loan Credit Agreement.

200. “*Term Loan Claims*” means any Secured Claim on account of the Term Loan Documents, including, without limitation, (a) any Claim against any Debtor arising from, or based upon, the Term Loan Documents, which shall be Allowed in the aggregate principal amount of \$[●], *plus* all other obligations related thereto, including any accrued unpaid interest, costs, fees, and indemnities and (b) any DIP Adequate Protection Claims granted as adequate protection for the benefit of the Term Loan Lenders.

201. “*Term Loan Credit Agreement*” means that certain Credit Agreement, dated as of August 27, 2019, by and among certain of the Debtors party thereto, the guarantors from time to time party thereto, Wilmington Savings Fund Society, FSB, as administrative agent, and each lender from time to time party thereto, as amended by that certain Refinancing Amendment No. 1, dated as of February 11, 2021, that certain LIBOR Transition Amendment No. 2, dated as of September 19, 2022, that certain Amendment No. 3 to Credit Agreement, dated as of March 7, 2025, that certain Amendment No. 4 to Credit Agreement, dated as of March 13, 2025, that certain Agency Resignation, Appointment, Assumption and Amendment Agreement, dated as of March 14, 2025, and that certain Forbearance and Amendment No. 6 to Credit Agreement, dated as of April 1, 2025, as may be further amended, restated, supplemented, or otherwise modified from time to time.

202. “*Term Loan Deficiency Claim*” means any portion of a Term Loan Claim that is not a Secured Claim.

203. “*Term Loan Documents*” has the meaning ascribed to the “Prepetition Term Loan Documents” in the DIP Orders.

204. “*Term Loan Equity Distribution*” means 100% of the New Interests, subject to dilution on account of the DIP Equity Recovery, the Equity Rights Offering, the Exit Holdco Loan Conversion (to the extent applicable), and the Management Incentive Plan.

205. “*Term Loan Facility*” means that certain term loan facility issued pursuant to the Term Loan Credit Agreement.

206. “*Term Loan Lenders*” means the lenders from time to time party to the Term Loan Credit Agreement.

207. “*U.S. Trustee*” means the Office of the United States Trustee for the Southern District of Texas.

208. “*Unclaimed Distribution*” means any distribution under the Plan on account of an Allowed Claim or Allowed Interest to a Holder that has not: (a) accepted a particular distribution or, in the case of distributions made by check, negotiated such check within one hundred and eighty (180) calendar days of receipt after the Effective Date; (b) given notice to the Reorganized Debtors or the Distribution Agent, as applicable, of an intent to accept a particular distribution within one hundred and eighty (180) calendar days of receipt after the Effective Date; (c) validly responded to the Debtors’, Reorganized Debtors’, or the Distribution Agent’s requests for information necessary to facilitate a particular distribution prior to the deadline included in such request for information; or (d) timely taken any other action necessary to facilitate such distribution.

209. “*Unexpired Lease*” means a lease to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

210. “*Unimpaired*” means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

B. Rules of Interpretation.

For the purposes of this Plan: (1) 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; (2) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (3) 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 in accordance with this Plan or the Confirmation Order, as applicable; (4) any reference to an Entity as a Holder of a Claim or Interest includes that Entity's successors and assigns; (5) unless otherwise specified, all references herein to "Articles" are references to Articles hereof or hereto; (6) unless otherwise specified, all references herein to exhibits are references to exhibits in the Plan Supplement; (7) 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; (8) subject to the provisions of any contract, charter, bylaw, limited liability company agreements, operating agreements, certificates of incorporation, or other organizational documents or shareholders' agreements, as applicable, 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 Law, including the Bankruptcy Code and the Bankruptcy Rules; (9) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Plan; (10) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (11) 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; (12) all references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Bankruptcy Court's CM/ECF system; (13) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; (14) 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;" (15) references to "Proofs of Claim," "Holders of Claims," "Disputed Claims," and the like shall include "Proofs of Interest," "Holders of Interests," "Disputed Interests," and the like, as applicable; (16) 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; (17) any immaterial effectuating provisions may be interpreted by the Debtors or the Reorganized Debtors, as applicable, 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 (18) all references herein to consent, acceptance, or approval may be conveyed by counsel for the respective Person or Entity that have such consent, acceptance, or approval rights, including by electronic mail.

C. Computation of Time.

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. Subject to the requirements of the Restructuring Transactions Memorandum and any other Definitive Document, any action to be taken on the Effective Date may be taken on or as soon as reasonably practicable after the Effective Date.

D. Governing Law.

Unless a rule of Law or procedure is supplied by federal Law (including the Bankruptcy Code and the Bankruptcy Rules) or unless otherwise specifically stated and subject to the provisions of any contract, lease, instrument, release, indenture, or other agreement or document entered into expressly in connection herewith, the Laws of the State of New York, without giving effect to the principles of conflict of Laws (other than section 5-1401 and section 5-1402 of the New York General Obligations Law), shall govern the rights, obligations, construction, enforcement, and implementation of this Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with this Plan (except as otherwise set forth in those agreements, in which case the governing Law of such agreement shall control) and corporate governance matters; *provided* that corporate governance matters relating to the Debtors or the Reorganized Debtors, as applicable, not incorporated in New York shall be governed by the Laws of the jurisdiction of incorporation or formation of the relevant Debtor or the Reorganized Debtor, as applicable.

E. Reference to Monetary Figures.

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

F. Reference to the Debtors or the Reorganized Debtors.

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

G. Controlling Document.

In the event of an inconsistency between this Plan and the Disclosure Statement, the terms of this Plan shall control in all respects. In the event of an inconsistency between this Plan and the Plan Supplement, the terms of the relevant provision in the Plan Supplement shall control (unless stated otherwise in such Plan Supplement document or in the Confirmation Order). In the event of an inconsistency between the Confirmation Order and this Plan, including the Plan Supplement, the Confirmation Order shall control.

H. Consent Rights.

Notwithstanding anything herein to the contrary, any and all consent, approval, and consultation rights of the Required DIP ABL Lenders, the DIP ABL Agent, and the Required DIP Term Loan Lenders set forth herein or in the DIP Orders, including with respect to the form and substance of the Plan, the Plan Supplement, and all other Definitive Documents (including any amendments, restatements, supplements, or other modifications to such documents and any consents, waivers, or other deviations under or from any such documents), shall be incorporated herein by this reference (including the applicable definitions in Article I hereof) and fully enforceable as if stated in full herein.

**ARTICLE II.
ADMINISTRATIVE CLAIMS, DIP CLAIMS,
PRIORITY CLAIMS, AND RESTRUCTURING EXPENSES**

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

A. Administrative Claims.

Unless (i) otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors with the reasonable consent of the Required DIP Term Loan Lenders or the Reorganized Debtors, as applicable, (ii) such Holder has been paid by any Debtors on account of such Allowed Administrative Expense Claim prior to the Effective Date, or (iii) otherwise provided for under this Plan (including in Article II.B with respect to the DIP Claims), each Holder of an Allowed Administrative Claim (other than Holders of Professional Claims and Claims for fees and expenses pursuant to section 1930 of chapter 123 of title 28 of the United States Code) will receive in full and final satisfaction of its Allowed Administrative Claim an amount of Cash equal to the amount of such Allowed Administrative Claim in accordance with the following: (1) if an 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 Administrative Claim is due or as soon as reasonably practicable thereafter); (2) if such Administrative Claim is not Allowed as of the Effective Date, no later than thirty (30) days after the date on which an order Allowing such Administrative Claim becomes a Final Order, or as soon as reasonably practicable thereafter; (3) if such Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date in accordance with the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claim without any further action by the Holder of such Allowed Administrative Claim; (4) at such time and upon such terms as may be agreed upon by such Holder and the Debtors or the Reorganized Debtors, as applicable; or (5) at such time and upon such terms as set forth in an order of the Bankruptcy Court.

Except as otherwise provided in this Article II.A of this Plan, and except with respect to Administrative Claims that are Professional Claims, Restructuring Expenses, or Disinterested Director Fee Claims, requests for payment of Administrative Claims must be Filed with the Bankruptcy Court and served on the Debtors or the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, their Estates, or their property, and such Administrative Claims shall be deemed discharged as of the Effective Date without the need for any objection from the Debtors or the Reorganized Debtors, as applicable, or any notice to or action, order, or approval of the Bankruptcy Court or any other Entity. Objections to such requests, if any, must be Filed with the Bankruptcy Court and served on the Debtors and the requesting party no later than the Claims Objection Deadline. Notwithstanding the foregoing, no request for payment of an Administrative Claim need be Filed with the Bankruptcy Court with respect to an Administrative Claim previously Allowed.

B. DIP Claims.

1. DIP ABL Claims.

On the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, the Allowed DIP ABL Claims, (a) any DIP ABL Claims that are not being rolled into the Exit ABL Facility Loans shall be indefeasibly paid in full in Cash, (b) any DIP ABL Claims that are (solely at the election of each applicable DIP ABL Lender) rolled into the Exit ABL Facility Loans or other outstanding obligations thereunder (such as letters of credit, as provided below) shall be refinanced by the Exit ABL Facility by means of a cashless settlement in the amount of the remaining DIP ABL Claims, and (c) accrued interest and fees under the DIP ABL Facility shall be paid in full in Cash on the Effective Date and in any event immediately prior to the effectiveness and the conversion of the DIP ABL Claims into Exit ABL Facility pursuant to the foregoing clause (b) of this Article II.B.1.

With respect to the DIP ABL Claims that are refinanced by means of a cashless settlement into the Exit ABL Facility, (a) the principal amount of all Loans (as defined in the DIP ABL Credit Agreement) shall be, on a dollar-for-dollar basis, automatically converted into, and deemed to be, Exit ABL Facility Loans, (b) the Letters of Credit (as defined in the DIP ABL Credit Agreement) issued and outstanding under the DIP ABL Credit Agreement shall automatically be converted into letters of credit deemed to be issued and outstanding under the Exit ABL Facility Documents, and (c) all other Obligations (as defined in the DIP ABL Credit Agreement) shall be treated in accordance with the Exit ABL Facility Documents.

For the avoidance of doubt, upon entry of the Confirmation Order, all DIP ABL Claims shall be deemed to be Allowed for all purposes as Secured Claims and Administrative Claims in an amount equal to (a) the principal amount of such Claims outstanding under the DIP ABL Facility on such date, (b) all interest accrued and unpaid thereon to the date of payment, and (c) any and all accrued and unpaid fees, expenses, and indemnification or other obligations of any kind payable under the DIP ABL Documents. Such DIP ABL Claims shall not be subject to any avoidance, reduction, setoff, offset, recoupment, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense, disallowance, impairment, objection, or any other challenge under any applicable law or regulation by any Entity. Furthermore, all Restructuring Expenses related to the DIP ABL Facility shall be paid in full in Cash in accordance with the terms of the DIP Orders and this Plan, as applicable.

2. DIP Term Loan Claims.

On the Effective Date, except to the extent that a Holder of an Allowed DIP Term Loan Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for such Allowed DIP Term Loan Claim (other than any DIP Term Loan Claims that constitute Restructuring Expenses), each Holder of an Allowed DIP Term Loan Claim shall receive its Pro Rata share of: (a) the DIP Equity Recovery; and (b) at the election of each Holder of an Allowed DIP Term Loan Claim, the right to participate up to their Pro Rata share of either or both of the following: (i) the Equity Subscription Rights; and/or (ii) the Debt Subscription Rights. To the extent that a Holder of an Allowed DIP Term Loan Claim does not elect to participate in their Pro Rata share of either the Equity Subscription Rights and/or the Debt Subscription Rights, any resulting deficit shall be backstopped

by the Equity Backstop Parties and/or the Debt Backstop Parties, as applicable, pursuant to the Equity Rights Offering Documents and the Debt Rights Offering Documents, as applicable.

The DIP Term Loan Lenders, each Debt Rights Offering Participant, and each Equity Rights Offering Participant, as applicable, shall be entitled to designate participation in the DIP Equity Recovery, the Debt Subscription Rights, and/or the Equity Subscription Rights, as applicable, to one or more Lender Fund Affiliates.

For the avoidance of doubt, upon entry of the Confirmation Order, all DIP Term Loan Claims shall be deemed to be Allowed for all purposes as Secured Claims and Administrative Claims in an amount equal to (a) the principal amount of such Claims outstanding under the DIP Term Loan Facility on such date, (b) all interest accrued and unpaid thereon to the date of payment, and (c) any and all accrued and unpaid fees, expenses, premiums, and indemnification or other obligations of any kind payable under the DIP Term Loan Documents. Such DIP Term Loan Claims shall not be subject to any avoidance, reduction, setoff, offset, recoupment, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense, disallowance, impairment, objection, or any other challenge under any applicable law or regulation by any Entity. Furthermore, all Restructuring Expenses related to the DIP Term Loan Facility shall be paid in full in Cash in accordance with the terms of the DIP Orders and this Plan, as applicable.

C. Professional Claims.

1. Final Fee Applications and Payment of Professional Claims.

All requests for payment of Professional Claims for services rendered and reimbursement of expenses incurred prior to the Effective Date must be Filed no later than forty-five (45) days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Court. The Reorganized Debtors shall pay Professional Claims in Cash in the amount that the Bankruptcy Court Allows, including from the Professional Fee Escrow Account, if applicable, as soon as reasonably practicable after such Professional Claim is Allowed, and which Allowed amount shall not be subject to disallowance, setoff, recoupment, subordination, recharacterization, or reduction of any kind, including pursuant to section 502(d) of the Bankruptcy Code. The Reorganized Debtors will establish the Professional Fee Escrow Account in trust for the Professionals and fund such account with Cash equal to the Professional Fee Amount on the Effective Date.

2. Professional Fee Escrow Account.

On the Effective Date, the Reorganized Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Amount, which shall be funded by the Reorganized Debtors using Cash on hand. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals until all Professional Claims that are Allowed by the Bankruptcy Court have been irrevocably paid in full pursuant to one or more Final Orders. Such funds shall not be considered property of the Estates of the Debtors or the Reorganized Debtors. The amount of Allowed Professional Claims shall be paid in Cash to the Professional by the Reorganized Debtors from the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Claims are Allowed. When all such Allowed Professional Claims have been paid in full, any remaining amount in the Professional Fee Escrow Account shall promptly be paid to the Reorganized Debtors without any further notice to or action, order, or approval of the Bankruptcy Court.

3. Professional Fee Amount.

Professionals shall reasonably estimate their unpaid Professional Claims and other unpaid fees and expenses incurred in rendering services to the Debtors before and as of the Effective Date, and shall deliver such estimate to the Debtors, the Ad Hoc Group Advisors, and the ABL Advisors no later than three (3) Business Days before the anticipated Effective Date; *provided* that such estimates shall not be deemed to limit the amount of the fees and expenses that are the subject of each Professional's final request for payment for Filed Professional Claims in the Chapter 11 Cases. If a Professional does not provide an estimate, the Debtors or Reorganized Debtors shall estimate the unpaid and unbilled fees and expenses of such Professional.

4. Post-Effective Date Fees and Expenses.

Except as otherwise specifically provided in this Plan, from and after the Effective Date, the Reorganized Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to implementation of this Plan and Consummation incurred by the Debtors. Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors or the Reorganized Debtors, as applicable, may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

D. *Priority Tax Claims.*

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to less favorable treatment, in 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.

E. *Payment of Statutory Fees and Reporting to the U.S. Trustee.*

All fees due and payable pursuant to section 1930(a) of title 28 of the United States Code shall be paid by the Debtors, the Reorganized Debtors, or the Distribution Agent (on behalf of the Reorganized Debtors), as applicable, for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first. All monthly reports shall be Filed, and all such fees due and payable, shall be paid by the Debtors or the Reorganized Debtors (or the Distribution Agent on behalf of the Reorganized Debtors), as applicable, on the Effective Date. Following the Effective Date, the Reorganized Debtors (or the Distribution Agent on behalf of the Reorganized Debtors) shall (1) pay such fees as such fees are assessed and come due for each quarter (including any fraction thereof) and (2) File quarterly reports in a form reasonably acceptable to the U.S. Trustee. Each Debtor shall remain obligated to pay such quarterly fees to the U.S. Trustee and to File quarterly reports until the earliest of that particular Debtor's case being closed, dismissed, or converted to a case under chapter 7 of the Bankruptcy Code.

F. *Restructuring Expenses.*

The Restructuring Expenses incurred, or estimated to be incurred, up to and including the Effective Date, shall be paid in full in Cash on the Effective Date or as soon as reasonably practicable thereafter (to the extent not previously paid) in accordance with, and subject to, as applicable, this Plan and any other fee arrangements, without any requirement to File a fee application with the Bankruptcy Court and without any requirement for Bankruptcy Court review or approval; *provided* that the foregoing shall be subject to the Debtors' receipt of an invoice in summary form (but without the need for itemized time detail and may be redacted) from the applicable Entity entitled to such Restructuring Expenses. All Restructuring Expenses to be paid on the Effective Date shall be estimated prior to and as of the Effective Date, and such estimates shall be delivered to the Debtors at least three (3) Business Days before the anticipated Effective Date; *provided* that such estimates shall not be considered an admission or limitation with respect to such Restructuring Expenses. On or as soon as practicable after the Effective Date, final invoices for all Restructuring Expenses incurred prior to and as of the Effective Date shall be submitted to the Reorganized Debtors.

After the Effective Date, the Reorganized Debtors shall promptly pay in Cash in full any unpaid Restructuring Expenses within seven (7) calendar days of receiving any such invoice.

**ARTICLE III.
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS**

A. *Classification of Claims and Interests.*

Except for the Claims addressed in Article II hereof, all Claims and Interests are classified in the Classes set forth below in accordance with sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or an Interest, or any

portion thereof, is classified in a particular Class only to the extent that any portion of such Claim or Interest fits within the description of that Class and is classified in other Classes to the extent that any portion of such Claim or Interest fits within the description of such other Classes. A Claim or an Interest also is classified in a particular Class for the purpose of receiving distributions under this Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

This Plan groups the Debtors together solely for the purpose of describing treatment under the Plan, Confirmation, and making distributions in accordance with the Plan in respect of Claims against, and Interests in, the Debtors under this Plan. Such groupings shall not affect any Debtor's status as a separate legal Entity, change the organizational structure of the Debtors' business enterprise, constitute a change of control of any Debtor for any purpose, cause a merger or consolidation of any legal Entities, or cause the transfer of any assets, and, except as otherwise provided by or permitted under this Plan, including the Plan Supplement, all Debtors shall continue to exist as separate legal Entities after the Effective Date.

The classification of Claims and Interests against each Debtor pursuant to this Plan is as set forth below. This Plan constitutes a separate Plan for each of the Debtors, and the classification of Claims and Interests set forth herein shall apply separately to each of the Debtors (except for the Class 8 Interests, which shall apply only to Ascend and APM Disc).

The classification of Claims and Interests against the Debtors pursuant to this Plan is as follows:

Class	Claims and Interests	Status	Voting Rights
Class 1	Other Secured Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
Class 2	Other Priority Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
Class 3	Term Loan Claims	Impaired	Entitled to Vote
Class 4	Asset Financing Agreement Claims	Impaired	Entitled to Vote
Class 5	General Unsecured Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 6	Intercompany Claims	Unimpaired / Impaired	Not Entitled to Vote (Presumed to Accept / Deemed to Reject)
Class 7	Intercompany Interests	Unimpaired / Impaired	Not Entitled to Vote (Presumed to Accept / Deemed to Reject)
Class 8	Interests in Ascend and APM Disc	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 9	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

B. Treatment of Claims and Interests.

Each Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive under this Plan the treatment described below in full and final satisfaction, settlement, release, and discharge of and in exchange for such Holder's Allowed Claim or Allowed Interest, as applicable, except to the extent different treatment is agreed to in writing by the Debtors or the Reorganized Debtors, as applicable, and the Holder of such Allowed Claim or Allowed Interest, as applicable. Unless otherwise indicated, the Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive such treatment on the Effective Date (or, if payment is not then due, in accordance with such Claim's or Interest's terms in the ordinary course of business) or as soon as reasonably practicable thereafter.

1. Class 1 – Other Secured Claims

- (a) *Classification:* Class 1 consists of all Other Secured Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment of its Allowed Claim, each Holder of an Allowed Other Secured Claim shall receive, at the Debtors' or the Reorganized Debtors' option with the [reasonable consent] of the Required DIP Term Loan Lenders:
 - (i) in full and final satisfaction of such Allowed Other Secured Claim, payment in full in Cash of its Allowed Other Secured Claim;
 - (ii) in full and final satisfaction of such Allowed Other Secured Claim, the collateral securing its Allowed Other Secured Claim;
 - (iii) Reinstatement of its Allowed Other Secured Claim; or
 - (iv) such other treatment rendering its Allowed Other Secured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.
- (c) *Voting:* Claims in Class 1 are Unimpaired under this Plan. Holders of Allowed Other Secured Claims are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject this Plan.

2. Class 2 – Other Priority Claims

- (a) *Classification:* Class 2 consists of all Other Priority Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment of its Allowed Claim, each Holder of an Allowed Other Priority Claim shall receive such treatment consistent with section 1129(a)(9) of the Bankruptcy Code.
- (c) *Voting:* Claims in Class 2 are Unimpaired under this Plan. Holders of Allowed Other Priority Claims are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject this Plan.

3. Class 3 – Term Loan Claims

- (a) *Allowance:* On the Effective Date, all Term Loan Claims shall be deemed Allowed in the aggregate principal amount of \$[●].
- (b) *Classification:* Class 3 consists of all Term Loan Claims.
- (c) *Treatment:* In exchange for the full and final satisfaction, settlement, release, and discharge of the Term Loan Claims, each Holder of an Allowed Term Loan Claim shall receive its Pro Rata share of the Term Loan Equity Distribution.
- (d) *Voting:* Claims in Class 3 are Impaired under this Plan. Holders of Allowed Term Loan Claims are entitled to vote to accept or reject this Plan.

4. Class 4 – Asset Financing Agreement Claims

- (a) *Classification:* Class 4 consists of all Asset Financing Agreement Claims.
- (b) *Treatment:* In exchange for the full and final satisfaction, settlement, release, and discharge of the Asset Financing Agreement Claims, each Holder of an Allowed Asset Financing Agreement Claim shall receive its Pro Rata share of the applicable Asset Financing Takeback Debt.
- (c) *Voting:* Claims in Class 4 are Impaired under this Plan. Holders of Allowed Asset Financing Agreement Claims are entitled to vote to accept or reject this Plan.

5. Class 5 – General Unsecured Claims

- (a) *Classification:* Class 5 consists of all General Unsecured Claims (including any Term Loan Deficiency Claim).
- (b) *Treatment:* All Allowed General Unsecured Claims shall be canceled, released, and extinguished and will be of no further force or effect, and Holders of Allowed General Unsecured Claims shall not receive any distribution, property, or other value under the Plan on account of such Allowed General Unsecured Claims.
- (c) *Voting:* Claims in Class 5 are Impaired under this Plan. Holders of General Unsecured Claims are deemed to have rejected this Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject this Plan.

6. Class 6 – Intercompany Claims

- (a) *Classification:* Class 6 consists of all Intercompany Claims.
- (b) *Treatment:* Each Allowed Intercompany Claim shall be, at the option of the applicable Debtor or Reorganized Debtor with the [reasonable consent] of the Required DIP Term Loan Lenders and in accordance with the Restructuring Transactions Memorandum, either:
 - (i) Reinstated; or
 - (ii) set off, settled, discharged, contributed, canceled, released without any distribution on account of such Intercompany Claim, or otherwise addressed at the option of the Reorganized Debtors with the [reasonable consent] of the Required DIP Term Loan Lenders and in accordance with the Restructuring Transactions Memorandum.

The Plan and the distributions contemplated thereby constitute a global settlement of any and all Intercompany Claims by and between any of the Debtors that may exist as of the Effective Date.

- (c) *Voting:* Claims in Class 6 are either Unimpaired, in which case the Holders of Allowed Intercompany Claims in Class 6 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code, or Impaired, and not receiving any distribution under this Plan, in which case the Holders of such Allowed Intercompany Claims in Class 6 are deemed to have rejected this Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject this Plan.

7. Class 7 – Intercompany Interests

- (a) *Classification:* Class 7 consists of all Intercompany Interests.
- (b) *Treatment:* Each Allowed Intercompany Interest shall be, at the option of the applicable Debtor or Reorganized Debtor with the [reasonable consent] of the Required DIP Term Loan Lenders and in accordance with the Restructuring Transactions Memorandum, either:
 - (i) Reinstated; or
 - (ii) set off, settled, discharged, contributed, canceled, released without any distribution on account of such Intercompany Interest, or otherwise addressed at the option of the Reorganized Debtors with the [reasonable consent] of the Required DIP Term Loan Lenders and in accordance with the Restructuring Transactions Memorandum.
- (c) *Voting:* Interests in Class 7 are either Unimpaired, in which case the Holders of Allowed Intercompany Interests in Class 7 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code, or Impaired, and not receiving any distribution under this Plan, in which case the Holders of such Allowed Intercompany Interests in Class 7 are deemed to have rejected this Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject this Plan.

8. Class 8 – Interests in Ascend and APM Disc

- (a) *Classification:* Class 8 consists of all Interests in Ascend and APM Disc.
- (b) *Treatment:* Each Interest in Ascend and APM Disc shall be canceled, released, discharged, and extinguished without any distribution and will be of no further force or effect, and each Holder of an Interest in Ascend and/or APM Disc shall not receive or retain any distribution, property, or other value on account of its Interest in Ascend and/or APM Disc.
- (c) *Voting:* Interests in Class 8 are Impaired under this Plan. Holder of Interests in Ascend and/or APM Disc are deemed to have rejected this Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject this Plan.

9. Class 9 – Section 510(b) Claims

- (a) *Classification:* Class 9 consists of all Section 510(b) Claims.
- (b) *Treatment:* All Section 510(b) Claims shall be canceled, released, discharged, and extinguished without any distribution and will be of no further force or effect, and each Holder of a Section 510(b) Claim shall not receive or retain any distribution, property, or other value on account of its Section 510(b) Claim.
- (c) *Voting:* Claims in Class 9 are Impaired under this Plan. Holders (if any) of Section 510(b) Claims are conclusively deemed to have rejected this Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders (if any) are not entitled to vote to accept or reject this Plan.

C. *Special Provision Governing Unimpaired Claims.*

Except as otherwise provided in this Plan, nothing under this Plan or the Plan Supplement shall affect, as applicable, the Debtors' or the Reorganized Debtors' rights regarding any Unimpaired Claims, including, all rights regarding legal and equitable defenses to, or setoffs or recoupments against, any such Unimpaired Claim.

D. Elimination of Vacant Classes.

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court as of the date of the Confirmation Hearing shall be deemed eliminated from this Plan for purposes of voting to accept or reject this Plan and for purposes of determining acceptance or rejection of this Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

E. Voting Classes, Presumed Acceptance by Non-Voting Classes.

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

F. Intercompany Interests.

To the extent Reinstated under this Plan, distributions on account of Intercompany Interests are not being received by Holders of such Intercompany Interests on account of their Intercompany Interests but for the purposes of administrative convenience and due to the importance of maintaining the prepetition corporate structure for the ultimate benefit of the Holders of New Interests and in exchange for the Debtors' and Reorganized Debtors' agreement under this Plan to make certain distributions to the Holders of Allowed Claims. For the avoidance of doubt, to the extent Reinstated pursuant to the Plan, on and after the Effective Date, all Intercompany Interests shall be owned by the same Reorganized Debtor that corresponds with the Debtor that owned such Intercompany Interests immediately prior to the Effective Date.

G. Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code.

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of this Plan by one or more of the Classes entitled to vote pursuant to Article III.B of this Plan. The Debtors may seek Confirmation of this Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right to modify this Plan in accordance with Article X hereof to the extent, if applicable, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the treatment applicable to a Class of Claims or Interests or reclassifying Claims to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules.

H. Controversy Concerning Impairment.

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

I. Subordinated Claims and Interests.

The allowance, classification, and treatment of all Allowed Claims and Allowed Interests and the respective distributions and treatments under this Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510(b) of the Bankruptcy Code, the Debtors or the Reorganized Debtors, as applicable, reserve the right to reclassify any Allowed Claim in accordance with any contractual, legal, or equitable subordination rights relating thereto. Any such contractual, legal, or equitable subordination rights shall be settled, compromised, and released pursuant to this Plan.

J. Disallowance of Claims of the Sponsors.

[Any Claims in the Chapter 11 Cases held by any Sponsor (including any General Unsecured Claims related to the rejection of any executory contracts or other agreements that are not vesting in the Reorganized Debtors) shall be canceled, released, and extinguished and will be of no further force or effect, and the Sponsors shall not receive

any distribution, property, or other value under the Plan on account of such Claims . The Plan shall be deemed to be an objection to any Proof of Claim filed by any Sponsor.]⁷

ARTICLE IV. MEANS FOR IMPLEMENTATION OF THE PLAN

A. General Settlement of Claims and Interests.

As discussed in detail in the Disclosure Statement and as otherwise provided herein, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under this Plan, upon the Effective Date, the provisions of this Plan shall constitute a good faith compromise and settlement of all Claims, Interests, Causes of Action, and controversies released, settled, compromised, discharged, satisfied, or otherwise resolved pursuant to this Plan (to the extent such controversies have not already been compromised and settled in accordance with the terms and conditions of the DIP Orders), including (1) any challenge to the amount, validity, perfection, enforceability, priority, or extent of the DIP Term Loan Claims, the DIP ABL Claims, the Term Loan Claims, or the General Unsecured Claims and (2) any Claim to avoid, subordinate, or disallow any DIP Term Loan Claims, DIP ABL Claims, Term Loan Claims, or General Unsecured Claims, whether under any provision of chapter 5 of the Bankruptcy Code on any equitable theory (including equitable subordination, equitable disallowance, or unjust enrichment) or otherwise. This Plan shall be deemed a motion to approve the good faith compromise and settlement of all such Claims, Interests, Causes of Action, and controversies pursuant to Bankruptcy Rule 9019, and the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable, reasonable, and in the best interests of the Debtors, their Estates, and Holders of Claims and Interests. Subject to Article VI hereof, all distributions made to Holders of Allowed Claims and Allowed Interests (as applicable) in any Class are intended to be, and shall be, final.

Certain Claims and Causes of Action may exist between one or more of the Debtors and one or more Debtors or Non-Debtor Subsidiaries, which Claims and Causes of Action have been settled, and such settlement is reflected in the treatment of the Intercompany Claims and the Claims against, and Interests in, each Debtor Entity. The Plan shall be deemed a motion to approve the good faith compromise and settlement of such Claims and Causes of Action pursuant to Bankruptcy Rule 9019.

B. Restructuring Transactions.

On or before the Effective Date, the applicable Debtors or the Reorganized Debtors, subject to all applicable consent rights and in accordance with the Definitive Documents, shall consummate the Restructuring Transactions and shall enter into and shall take any actions as may be necessary or appropriate to effect the Restructuring Transactions and the transactions described in, approved by, contemplated by, or necessary to effect this Plan that are consistent with and pursuant to the terms and conditions of this Plan, including: (1) the execution and delivery of any appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, formation, organization, dissolution, sale, purchase, or liquidation containing terms that are consistent with the terms of this Plan and the Plan Supplement and that satisfy the requirements of applicable Law and any other terms to which the applicable Entities may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of this Plan and having other terms for which the applicable parties agree; (3) the execution, delivery, and filing, if applicable, of appropriate certificates or articles of incorporation, formation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable Law; (4) the execution, delivery, and implementation of the Exit ABL Facility and any filings and documents related thereto; (5) the issuance of the New Interests (except for certain specified New Interests to be issued after the Effective Date in accordance with the Plan, including certain New

⁷ The Debtors and the Ad Hoc Group continue to negotiate the terms of and have not agreed on the form of this Article III.J.

Interests issued as a result of the Exit Holdco Loan Conversion (to the extent applicable) and the Management Incentive Plan); (6) the implementation of the Equity Rights Offering and the Debt Rights Offering pursuant to the Rights Offering Procedures; (7) the execution, delivery, and implementation of the Exit Holdco Loan Facility and any filings and documents related thereto; (8) the adoption of the Management Incentive Plan; (9) the execution and delivery of the New Organizational Documents and any certificates or articles of incorporation, bylaws, or such other applicable formation documents (if any) of each Reorganized Debtor (including all actions to be taken, undertakings to be made, obligations to be incurred, and fees and expenses to be paid by the Debtors and/or the Reorganized Debtors, as applicable); (10) such other transactions that are required to effectuate the Restructuring Transactions, including any transactions set forth in the Restructuring Transactions Memorandum; and (11) all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable Law in connection with this Plan.

The Confirmation Order shall, and shall be deemed to, pursuant to sections 363 and 1123 of the Bankruptcy Code, authorize, among other things, all of the foregoing and all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate this Plan, including any and all actions required to be taken under applicable non-bankruptcy Law. On the Effective Date or as soon as reasonably practicable thereafter, the Reorganized Debtors, as applicable, shall issue all Securities, notes, instruments, certificates, and other documents required to be issued pursuant to the Restructuring Transactions.

C. Reorganized Debtors.

On the Effective Date, the New Board shall be established, and the Reorganized Debtors shall adopt the New Organizational Documents. The Reorganized Debtors shall be authorized to adopt any other agreements, documents, and instruments and to take any other actions contemplated under this Plan as necessary to consummate this Plan. Cash payments to be made pursuant to this Plan will be made by the Debtors or the Reorganized Debtors, as applicable. The Debtors and the Reorganized Debtors, in compliance with the applicable Definitive Documents, will be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable the Debtors or the Reorganized Debtors, as applicable, to satisfy their obligations under this Plan, subject to the limitations set forth in the Exit ABL Facility Documents and the Exit Holdco Loan Documents.

D. Sources of Consideration for Plan Distributions.

The Debtors and the Reorganized Debtors, as applicable, shall fund distributions under this Plan with: (1) Cash on hand, including Cash from operations, the DIP Facilities, and the proceeds of the Equity Rights Offering and the Debt Rights Offering; (2) the Equity Subscription Rights; (3) the Debt Subscription Rights; (4) the New Interests; (5) the Exit ABL Facility; (6) the Exit Holdco Loan Facility, as applicable; and (7) the Asset Financing Takeback Debt.

1. Equity Rights Offering.

The Debtors will conduct the Equity Rights Offering, and unless otherwise determined by the Debtors, it is expected that the Equity Rights Offering will commence as soon as reasonably practicable after the [date of entry of the Disclosure Statement Order]. On the Effective Date, the Debtors or the Reorganized Debtors, as applicable, will issue the Rights Offering Interests in accordance with the Equity Rights Offering Documents. Pursuant to the Plan and the Equity Rights Offering Documents, the Debtors or the Reorganized Debtors, as applicable, will distribute the Equity Subscription Rights to each Equity Rights Offering Eligible Offeree and allow for the exercise of the Equity Subscription Rights on or prior to the Effective Date in accordance with the Equity Rights Offering Documents in an aggregate amount equal to the Equity Rights Offering Amount. The Rights Offering Interests that are issued shall be purchased at the Discount to Plan Equity Value in Cash. The Debtors or Reorganized Debtors, as applicable, shall allocate the Equity Subscription Rights to Holders of Allowed DIP Term Loan Claims as set forth in this Plan and the Rights Offering Procedures.

Except as provided herein or in the Equity Rights Offering Documents, the Equity Subscription Rights are not separately transferrable, exercisable, or detachable from the DIP Term Loan Claims and may only be transferred together with the DIP Term Loan Claims. To the extent that the Equity Subscription Rights are deemed to be “securities” as defined in section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code, and applicable

state Securities Laws, the Debtors intend that the exemption provisions of section 1145 of the Bankruptcy Code (or another exemption from the federal, state, or local Securities Law with respect to the offering, distribution, and issuance of Securities) apply to the offering, issuance, and distribution of such Equity Subscription Rights.

As set forth in the Equity Rights Offering Documents, the issuance of the Rights Offering Interests with respect to the Equity Rights Offering will be conducted on a Pro Rata basis in reliance upon one or more exemptions from registration under the Securities Act, which is expected to include the exemption from registration set forth in section 4(a)(2) of the Securities Act and/or Regulation D or Regulation S promulgated thereunder or another available exemption from registration under the Securities Act. Persons acquiring any Rights Offering Interests are expected to hold “restricted securities” under the Securities Act. Such Securities may not be transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom and subject to any restrictions in the New Organizational Documents.

Pursuant to the Equity Rights Offering Documents, the Equity Backstop Parties shall have committed to fully backstop and fund, severally, and not jointly, the Equity Rights Offering Amount. Each Equity Rights Offering Eligible Offeree (other than the Equity Backstop Parties) may elect to participate for up to its Pro Rata share of the Equity Subscription Rights, and once validly elected, the Equity Rights Offering Eligible Offeree shall be an Equity Rights Offering Participant committed to fund such amount in accordance with the Equity Rights Offering Documents. For the avoidance of doubt, each Equity Backstop Party shall subscribe for its respective Pro Rata share of the Equity Rights Offering its capacity as an Equity Rights Offering Participant. In addition, Rights Offering Interests will be sold, issued, and distributed to the Equity Backstop Parties under, and as set forth in, the Equity Rights Offering Documents. Pursuant to the Equity Rights Offering Documents, the Equity Backstop Parties will be obligated to purchase any New Interests not subscribed for in the Equity Rights Offering by the Equity Rights Offering Participants. On the Effective Date, the rights and obligations of the Debtors under the Equity Rights Offering Documents shall vest in the Reorganized Debtors. On the Effective Date, the Equity Backstop Parties will receive the Equity Backstop Premium, which will be payable in New Interests.

The terms of the Equity Rights Offering shall be set forth in the Equity Rights Offering Documents, and in any event, shall include the following terms:

- (a) Offering Size: the Equity Rights Offering shall be equal to the Equity Rights Offering Amount;
- (b) Use of Proceeds: the proceeds of the Equity Rights Offering shall be used to fund the costs of emergence and the Reorganized Debtors’ go-forward liquidity needs;
- (c) Backstop Parties: the Equity Rights Offering shall be backstopped by the Equity Backstop Parties on a Pro Rata basis with their existing DIP Term Loan Claims;
- (d) [Discount]: the New Interests issued pursuant to the Equity Rights Offering shall be issued at a [●]% discount to Plan Equity Value]; and
- (e) Equity Backstop Premium: the Equity Backstop Parties shall be paid the Equity Backstop Premium, which shall equal [10.0]% of such backstopped amounts and shall be paid in equity [at the Discount to Plan Equity Value.]

2. Issuance of the New Interests.

The issuance of the New Interests, including the DIP Equity Recovery, the Equity Backstop Premium, and the Rights Offering Interests (including any New Interests issued as a result of the Exit Holdco Loan Conversion (to the extent applicable)), any options or other equity awards, if any, reserved for (or as a result of) the Management Incentive Plan and/or the Exit Holdco Loan Conversion (to the extent applicable) by the Reorganized Debtors (as set forth in the Restructuring Transactions Memorandum) shall be authorized without the need for any further corporate action or without any further action by Holders of Claims or Interests. Reorganized Ascend shall be authorized to

issue a certain number of shares of New Interests as required under this Plan and pursuant to the New Organizational Documents.

On the Effective Date, the Debtors or Reorganized Debtors, as applicable, shall issue all Securities, notes, instruments, certificates, and other documents required to be issued pursuant to this Plan, including the New Interests. All of the shares of New Interests issued or authorized to be issued pursuant to this Plan shall be duly authorized, validly issued, fully paid, and non-assessable. Each distribution and issuance referred to in Article VI hereof shall be governed by the terms and conditions set forth in this Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance. Any Entity's acceptance of New Interests shall be deemed as its agreement to the New Organizational Documents, as the same may be amended or modified from time to time following the Effective Date in accordance with their respective terms, and each such Entity will be bound thereby in all respects.

All New Interests issued under this Plan (other than the Rights Offering Interests, any New Interests issued pursuant to the Exit Holdco Loan Conversion (to the extent applicable) by the Reorganized Debtors, or any New Interests issued pursuant to the Management Incentive Plan) will be exempt from, among other things, the registration and prospectus delivery requirements under the Securities Act or any similar federal, state, or local Laws in reliance upon section 1145 of the Bankruptcy Code to the maximum extent permitted and applicable and, to the extent that reliance on such section is either not permitted or not applicable, the exemption set forth in section 4(a)(2) of the Securities Act and/or Regulation D or Regulation S promulgated thereunder (or another applicable exemption from the registration requirements of the Securities Act). All New Interests issued pursuant to the exemption from registration set forth in section 4(a)(2) of the Securities Act and/or Regulation D or Regulation S promulgated thereunder (or other similar exemption from registration) will be considered "restricted securities" and may not be transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom.

Securities issued in reliance upon section 1145 of the Bankruptcy Code, to the fullest extent permitted and available, are exempt from, among other things, the registration requirements of section 5 of the Securities Act and any other applicable federal Securities Law or state Securities Law requiring registration prior to the offering, issuance, distribution, or sale of Securities (except with respect to a Person that is an "underwriter" as defined in section 1145(b) of the Bankruptcy Code). Except as otherwise provided in the Plan or the governing certificates or instruments (including the New Organizational Documents), any and all such Securities so issued under the Plan (a) will not be "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and (b) will be freely tradeable and transferable under the Securities Act by any Holder thereof that, at the time of transfer, (i) is not an "affiliate" of the Reorganized Debtors as defined in Rule 144(a)(1) under the Securities Act and (ii) has not been such an "affiliate" of the Reorganized Debtors within 90 days of such transfer of the Reorganized Debtors, subject to (A) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an "underwriter" in section 1145(b) of the Bankruptcy Code, (B) compliance with applicable Securities Laws, including any rules and regulations of the SEC or U.S., state, or local Securities Laws that are applicable (if any) at the time of any future transfer of such Securities or instruments, and (C) any restrictions in the New Organizational Documents. The issuance of the New Interests or any other Securities shall not constitute an invitation or offer to sell, or the solicitation of an invitation or offer to buy, any Securities in contravention of any applicable Law in any jurisdiction. No action has been taken, or will be taken, in any jurisdiction that would permit a public offering of any of the New Interests (other than Securities issued pursuant to section 1145 of the Bankruptcy Code) in any jurisdiction where such action for that purpose is required.

Persons who acquire the New Interests pursuant to the exemption from registration set forth in section 4(a)(2) of the Securities Act and/or Regulation D or Regulation S promulgated thereunder (or other similar exemption from registration) will hold "restricted securities." Such Persons include the participants under the Equity Rights Offering, Holders of any New Interests issued pursuant to the Exit Holdco Loan Conversion (to the extent applicable) and/or the Management Incentive Plan who receive New Interests of Reorganized Ascend. Resales of such restricted Securities would not be exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable Law. Subject to any restrictions in the New Organizational Documents and any other applicable Securities Laws, Holders of "restricted securities" would, however, be permitted to resell New Interests without registration if they are able to comply with the applicable provisions of Rule 144 or Rule 144A under the Securities

Act (if available) or any other exemption from registration under the Securities Act, or if such Securities are registered with the SEC.

The Reorganized Debtors need not provide any further evidence other than the Plan or the Confirmation Order to any Entity (including DTC and any transfer agent for the New Interests) with respect to the treatment of the New Interests to be issued under the Plan under applicable Securities Laws. Should the Reorganized Debtors elect on or after the Effective Date to reflect any ownership of the New Interests through the facilities of DTC, DTC shall be required to accept and conclusively rely upon the Plan and Confirmation Order in lieu of a legal opinion regarding whether the Securities to be issued under the Plan are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services. Notwithstanding anything to the contrary in the Plan, no Entity (including, for the avoidance of doubt, DTC or any transfer agent for Securities) may require a legal opinion regarding the validity of any transaction contemplated by the Plan, including, for the avoidance of doubt, whether the Securities to be issued under the Plan are exempt from registration and/or eligible for book-entry delivery, settlement, and depository services (to the extent applicable).

All of the foregoing documents shall be binding on all Entities receiving, and all Holders of, the New Interests (and their respective successors and assigns), whether such New Interests (including any New Interests issued as a result of the Exit Holdco Loan Conversion (to the extent applicable)) are received or to be received on or after the Effective Date and regardless of whether such Entity executes or delivers a signature page to any of the foregoing documents. Acceptance of New Interests pursuant to the Plan, the Equity Rights Offering, or the Exit Holdco Loan Conversion shall be deemed to constitute an agreement to be bound by, without the need for execution by such Holder of New Interests, the New Organizational Documents (including the New Equityholders Documents and any documents related thereto and as may be amended from time to time in accordance with the terms thereof).

Entry of the Confirmation Order shall constitute approval of the Equity Backstop Premium payable to the Equity Backstop Parties in New Interests on the Effective Date. Subject only to the occurrence of the Effective Date, the provision of the Equity Rights Offering Documents and the terms and conditions for any closing fees, discounts, fees, and/or premiums, including, without limitation, the Equity Backstop Premium, shall be deemed fully satisfied and earned as of the entry of the Confirmation Order. The amount of the Equity Backstop Premium is a bargained-for and an integral part of the Restructuring Transactions contemplated under this Plan.

3. Debt Rights Offering.

The Debtors will conduct the Debt Rights Offering, and, unless determined otherwise by the Debtors and the Required DIP Term Loan Lenders, it is expected that the Debt Rights Offering will commence as soon as reasonably practicable after the [Confirmation Date]. Pursuant to the Plan and the Debt Rights Offering Documents, the Debtors or the Reorganized Debtors, as applicable, will allow for the exercise of the Debt Subscription Rights on or prior to the Effective Date in an aggregate amount equal to the Debt Rights Offering Amount. On the Effective Date, the Debtors or the Reorganized Debtors, as applicable, will enter into the Exit Holdco Loan Facility in accordance with the Debt Rights Offering Documents and the Debt Rights Offering Participants will fund the Exit Holdco Loan Facility as set forth below.

The Debt Rights Offering shall be open to all Debt Rights Offering Eligible Offerees, and the Debt Rights Offering Eligible Offerees shall be entitled to participate in the Debt Rights Offering up to a maximum amount of each such Debt Rights Offering Eligible Offeree's share of the Debt Subscription Rights as set forth in the Debt Rights Offering Documents. Each Debt Rights Offering Eligible Offeree may exercise either all or none of its Debt Subscription Rights. Except as otherwise provided herein or in the Debt Rights Offering Documents, the Debt Subscription Rights are not separately transferrable, exercisable, or detachable from the DIP Term Loan Claims and may only be transferred together with the DIP Term Loan Claims. To the extent the Debt Subscription Rights are deemed to be "Securities" as defined in section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code, and applicable state Securities Laws, the Debtors intend that the exemption provisions of section 1145 of the Bankruptcy Code (or another exemption from the federal, state, or local Securities Law with respect to the offering, distribution, and issuance of Securities) would apply to the offering, issuance, and distribution of such Debt Subscription Rights. For the avoidance of doubt, participations and/or loans in the Exit Holdco Loan Facility shall not be Securities, and the Reorganized Debtors need not provide any further evidence (other than the Plan or the Confirmation Order) to any

Entity with respect to the treatment of the Debt Subscription Rights or the participations and/or loans to be issued pursuant to the Plan under any applicable U.S., state Securities, or local Securities Laws.

In accordance with the Debt Rights Offering Documents, the Debt Backstop Parties have committed to fully backstop, severally and not jointly, the Debt Rights Offering Amount and to fund the Exit Holdco Loan Facility. Each Debt Backstop Party shall fund its commitment amount of the Exit Holdco Loan Facility. Each Debt Rights Offering Eligible Offeree may elect to participate for its Pro Rata share of the Exit Holdco Loan Facility, and once elected, such Debt Rights Offering Eligible Offeree shall be committed to fund such amount as a Debt Rights Offering Participant in accordance with the Debt Rights Offering Documents. For the avoidance of doubt, each Debt Backstop Party shall fully subscribe for its respective Pro Rata share of the Debt Rights Offering its capacity as a Debt Rights Offering Participant. Upon exercise of the Debt Subscription Rights pursuant to the terms of the Debt Rights Offering Documents, the Reorganized Debtors shall be authorized to enter into the Exit Holdco Loan Facility and consummate the Debt Rights Offering, including any later issuance of New Interests pursuant to the Exit Holdco Loan Conversion, as may be applicable.

Participation in the Debt Rights Offering shall be deemed to constitute an agreement to be bound by, without the need for execution by such Debt Rights Offering Participant, the Exit Holdco Loan Documents (including any documents related thereto and as may be amended from time to time in accordance with the terms thereof). All of the foregoing documents shall be binding on all Entities receiving, and all Holders of, the Exit Holdco Loan Facility (and their respective successors and assigns), whether such loans under the Exit Holdco Loan Facility are received or to be received on or after the Effective Date and regardless of whether such Entity executes or delivers a signature page to any of the foregoing documents.

The terms of the Debt Rights Offering shall be set forth in the Debt Rights Offering Documents, and in any event, shall include the following terms:

- (a) Offering Size: the Debt Rights Offering shall be equal to the Debt Rights Offering Amount;
- (b) Use of Proceeds: the proceeds of the Debt Rights Offering shall be used to fund the costs of emergence and the Reorganized Debtors' go-forward liquidity needs;
- (c) Backstop Parties: the Debt Rights Offering shall be backstopped by the Debt Backstop Parties on a Pro Rata basis with their existing DIP Term Loan Claims; and
- (d) Debt Backstop Premium: the Debt Backstop Parties shall be paid the Debt Backstop Premium, which shall equal [10.0]% of such backstopped amounts and shall be paid in additional principal in the Exit Holdco Loan Facility.

4. Exit ABL Facility.

On the Effective Date, the Reorganized Debtors shall enter into the Exit ABL Facility, the terms of which will be set forth in the Exit ABL Facility Documents. Confirmation of the Plan shall be deemed (a) approval of the Exit ABL Facility (including the transactions and related agreements contemplated thereby and all actions to be taken, undertakings to be made, and obligations to be incurred and fees and expenses to be paid by the Debtors or the Reorganized Debtors, as applicable, in connection therewith), to the extent not approved by the Bankruptcy Court previously and (b) authorization for the Debtors or the Reorganized Debtors, as applicable, to, without further notice to or order of the Bankruptcy Court, (i) execute and deliver those documents and agreements necessary or appropriate to pursue or obtain the Exit ABL Facility, including the Exit ABL Facility Documents, and incur and pay any fees and expenses in connection therewith, and (ii) act or take action under applicable Law, regulation, order, or rule or vote, consent, authorization, or approval of any Person, subject to such modifications as the Debtors or the Reorganized Debtors, as applicable, may deem to be necessary to consummate the Exit ABL Facility.

As of the Effective Date, upon the granting or continuation of Liens in accordance with the Exit ABL Facility Documents, all of the Liens and security interests to be granted in accordance with the Exit ABL Facility Documents

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

To the extent provided in the Exit ABL Facility Documents, the Holder(s) of Liens under the Exit ABL Facility Documents are authorized to file with the appropriate authorities mortgages, financing statements, and other documents and to take any other action in order to evidence, validate, and perfect such Liens or security interests. The guarantees, mortgages, pledges, Liens, and other security interests granted to secure the obligations arising under the Exit ABL Facility Documents have been granted in good faith, for legitimate business purposes, and for reasonably equivalent value as an inducement to the lenders thereunder to extend credit thereunder and shall be deemed not to constitute a fraudulent conveyance or fraudulent transfer and shall not otherwise be subject to avoidance, recharacterization, or subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy Law, and the priorities of such Liens and security interests shall be as set forth in the Exit ABL Facility Documents.

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

5. Exit Holdco Loan Facility.

On the Effective Date, the Reorganized Debtors shall enter into the Exit Holdco Loan Facility, the terms of which will be set forth in the Exit Holdco Loan Documents, which must be in form and substance consistent with this Article IV.D.3 of the Plan and the Exit Holdco Loan Term Sheet as Filed on or prior to the voting deadline. Confirmation of the Plan shall be deemed (a) approval of the Exit Holdco Loan Facility (including the transactions and related agreements contemplated thereby and all actions to be taken, undertakings to be made, and obligations to be incurred and fees and expenses to be paid by the Debtors or the Reorganized Debtors, as applicable, in connection therewith), to the extent not approved by the Bankruptcy Court previously and (b) authorization for the Debtors or the Reorganized Debtors, as applicable, to, without further notice to or order of the Bankruptcy Court, (i) execute and deliver those documents and agreements necessary or appropriate to pursue or obtain the Exit Holdco Loan Facility, including the Exit Holdco Loan Documents, and incur and pay any fees and expenses in connection therewith, and (ii) act or take action under applicable Law, regulation, order, or rule or vote, consent, authorization, or approval of any Person, subject to such modifications as the Debtors or the Reorganized Debtors, as applicable, may deem to be necessary to consummate the Exit Holdco Loan Facility.

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

To the extent provided in the Exit Holdco Loan Documents, the Holder(s) of Liens under the Exit Holdco Loan Documents are authorized to file with the appropriate authorities mortgages, financing statements, and other

documents and to take any other action in order to evidence, validate, and perfect such Liens or security interests. The guarantees, mortgages, pledges, Liens, and other security interests granted to secure the obligations arising under the Exit Holdco Loan Documents have been granted in good faith, for legitimate business purposes, and for reasonably equivalent value as an inducement to the lenders thereunder to extend credit thereunder and shall be deemed not to constitute a fraudulent conveyance or fraudulent transfer and shall not otherwise be subject to avoidance, recharacterization, or subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy Law, and the priorities of such Liens and security interests shall be as set forth in the Exit Holdco Loan Documents.

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

Entry of the Confirmation Order shall constitute approval of the Debt Backstop Premium payable to the Debt Backstop Parties in additional principal on the Effective Date. Subject only to the occurrence of the Effective Date, the provision of the Exit Holdco Loan Documents and the terms and conditions for any closing fees, discounts, fees, and/or premiums, including but not limited to the Debt Backstop Premium, shall be deemed fully satisfied and earned as of the entry of the Confirmation Order. The amount of the Debt Backstop Premium is a bargained-for and integral part of the Restructuring Transactions contemplated under this Plan.

The terms of the Exit Holdco Loan Facility shall be set forth in the Exit Holdco Loan Documents, and in any event, shall include the following terms:

- (a) Collateral: the Exit Holdco Loan Facility shall be secured by an equity pledge granted by Reorganized Ascend;
- (b) Rate: [2.0]% per annum, payable in Cash; *provided, however*, that such rate shall increase to [8.0]% twelve (12) months after the issuance of the Exit Holdco Loan Facility;
- (c) Amortization: none;
- (d) Maturity: the Exit Holdco Loan Facility shall have a maturity date that is five (5) years after the date of issuance;
- (e) Conversion: all principal outstanding under the Exit Holdco Loan Facility shall be eligible for the Exit Holdco Loan Conversion twelve (12) months after the issuance thereof, subject to the approval of more than 50% of the Holders of the Exit Holdco Loan Facility, at a price equal to the Discount to Plan Equity Value;
- (f) Call Protection: none;
- (g) Ratings: the Exit Holdco Loan Facility shall be privately rated; and
- (h) Financial Covenants: the Exit Holdco Loan Facility shall not have any financial covenants.

6. Asset Financing Takeback Debt

[On the Effective Date, the Reorganized Debtors shall issue the Asset Financing Takeback Debt, the terms of which will be set forth in the Asset Financing Takeback Debt Documents. To the extent applicable, Confirmation of the Plan shall be deemed (a) approval of the Asset Financing Takeback Debt (including the transactions and related

agreements contemplated thereby and all actions to be taken, undertakings to be made, and obligations to be incurred and fees and expenses to be paid by the Debtors or the Reorganized Debtors, as applicable, in connection therewith), to the extent not approved by the Bankruptcy Court previously and (b) authorization for the Debtors or the Reorganized Debtors, as applicable, to, without further notice to or order of the Bankruptcy Court, (i) execute and deliver those documents and agreements necessary or appropriate to pursue or obtain the Asset Financing Takeback Debt, and incur and pay any fees and expenses in connection therewith, and (ii) act or take action under applicable Law, regulation, order, or rule or vote, consent, authorization, or approval of any Person, subject to such modifications as the Debtors or the Reorganized Debtors, as applicable, with the reasonable consent of the Required DIP Term Loan Lenders, may deem to be necessary to issue the Asset Financing Takeback Debt.

As of the Effective Date, upon the granting of Liens in accordance with the Asset Financing Takeback Debt Documents, all of the Liens and security interests, if any, to be granted in accordance with the Asset Financing Takeback Debt Documents (a) shall be deemed to be granted, (b) shall be legal, binding, automatically perfected, non-avoidable, and enforceable Liens on, and security interests in, the applicable collateral in accordance with the respective terms of the Asset Financing Takeback Debt Documents, (c) shall be deemed perfected on or prior to the Effective Date, subject only to such Liens and security interests, if any, as may be permitted under the respective Asset Financing Takeback Debt Documents, and (d) shall not be subject to avoidance, recharacterization, or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers, fraudulent transfers, or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy Law.

To the extent provided in the Asset Financing Takeback Debt Documents, the Holder(s) of Liens, if any, under the Asset Financing Takeback Debt Documents are authorized to file with the appropriate authorities mortgages, financing statements, and other documents and to take any other action in order to evidence, validate, and perfect such Liens or security interests. The guarantees, mortgages, pledges, Liens, and other security interests, if any, granted to secure the obligations arising under the Asset Financing Takeback Debt Documents have been granted in good faith, for legitimate business purposes, and for reasonably equivalent value as an inducement to the lenders thereunder to extend credit thereunder and shall be deemed not to constitute a fraudulent conveyance or fraudulent transfer and shall not otherwise be subject to avoidance, recharacterization, or subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy Law, and the priorities of such Liens and security interests, if any, shall be as set forth in the Asset Financing Takeback Debt Documents.

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

E. Corporate Existence.

Except as otherwise provided in this Plan, the Plan Supplement, or the Confirmation Order, or any agreement, instrument, or other document incorporated in this Plan or the Plan Supplement, each Debtor shall continue to exist after the Effective Date as a separate corporate Entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable Law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other formation documents) are amended, amended and restated, or replaced under this Plan or otherwise, including pursuant to the New Organizational Documents, in each case, consistent with this Plan. To the extent the certificate of incorporation, bylaws, or any similar documents of a Debtor or Reorganized Debtor are amended, restated, or superseded in accordance with the Plan or the Plan Supplement, such documents are deemed to be amended, restated, or superseded pursuant to this Plan and require no further action or approval (other than any requisite filings, approvals, or consents required under applicable state, provincial, or federal Law). After the Effective Date, the respective certificate of

incorporation and bylaws (or other formation documents) of one or more of the Reorganized Debtors may be amended or modified on the terms therein without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. After the Effective Date, one or more of the Reorganized Debtors may be disposed of, dissolved, wound down, or liquidated without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules.

F. Vesting of Assets in the Reorganized Debtors.

Except as otherwise provided in (1) the Confirmation Order or this Plan (including the Restructuring Transactions Memorandum and Article VIII hereof), or (2) any agreement, instrument, or other document incorporated in, or entered into in connection with or pursuant to, this Plan or the Plan Supplement, on the Effective Date, all property in each Estate, all Causes of Action, and any property acquired by any of the Debtors pursuant to this Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, Causes of Action, or other encumbrances. On and after the Effective Date, except as otherwise provided in this Plan, the Plan Supplement, the Confirmation Order, or any agreement, instrument, or other document incorporated herein, including Article VIII hereof, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules. For the avoidance of doubt, (a) no Reorganized Debtor shall be treated as being liable on any Claim that is discharged pursuant to this Plan, and (b) no contract, agreement, instrument, or other document (including any and all indemnification provisions) or property of the Estate in favor of (i) the Sponsor or (ii) any other Excluded Party shall vest in the Reorganized Debtors.

G. Cancellation of Existing Securities and Agreements.

On the Effective Date, except as otherwise provided in this Plan, the Definitive Documents (including the Plan Supplement), or the Confirmation Order, all notes, instruments, Securities (including equity Securities), certificates, credit agreements, indentures, security agreements, collateral agreements, and other documents evidencing (1) Claims against any of the Debtors or (2) Interests in Ascend [and APM Disc] shall be canceled, and all present and future obligations and liabilities, actions, suits, accounts or demands, covenants, and indemnities (both actual and contingent), under or in connection with the ABL Credit Agreement, Bridge Credit Agreement, the Term Loan Credit Agreement, the DIP ABL Credit Agreement, the DIP Term Loan Credit Agreement[, and the Asset Financing Agreements] of the Debtors or the Reorganized Debtors, as applicable, and any Non-Debtor Subsidiaries thereunder, or in any way related thereto, shall be deemed satisfied in full, canceled, released, discharged, and of no force or effect without the need for further action or approval of the Bankruptcy Court or for a Holder to take further action, and the Agents shall be discharged and released and shall not have any continuing duties or obligations thereunder. Holders of or parties to such canceled instruments, Securities, and other documentation will have no rights arising from or relating to such instruments, Securities, and other documentation, or the cancellation thereof, except the rights, distributions, and treatment provided for or preserved pursuant to this Plan or the Confirmation Order.

Notwithstanding anything to the contrary herein, but subject to any applicable provisions of Article VI hereof and the Confirmation Order, the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement (including, in each case, all documents ancillary thereto), shall continue in effect to: (1) permit Holders of Claims under the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement to receive their respective Plan Distributions, if any; (2) permit the Reorganized Debtors and the Distribution Agent, as applicable, to make Plan Distributions on account of the Allowed Claims under the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement, as applicable; and (3) permit each of the Agents under the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement to seek indemnification, compensation, and/or reimbursement of fees and expenses through the exercise of charging Liens, to the extent provided for in the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement. Except as provided in this Plan (including Article VI hereof) or the Confirmation Order, on the Effective Date, the Agents and their respective agents, successors, and assigns shall be automatically and fully discharged of all of their duties and obligations associated with the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement,

as applicable. The commitments and obligations (if any) of the Holders of the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement to extend any further or future credit or financial accommodations to any of the Debtors, any of the Non-Debtor Subsidiaries, or any of their respective successors or assigns under the DIP Term Loan Credit Agreement, the DIP ABL Credit Agreement, the ABL Credit Agreement, the Term Loan Credit Agreement, and the Bridge Credit Agreement, as applicable, shall fully terminate and be of no further force or effect on the Effective Date.

H. Corporate Action.

Upon the Effective Date, all actions contemplated under this Plan shall be deemed authorized and approved in all respects, including: (1) implementation of the Restructuring Transactions, including the Equity Rights Offering and the Debt Rights Offering; (2) selection of the directors, managers, and officers for the Reorganized Debtors, including the New Board; (3) issuance and distribution of the New Interests; (4) entry into the Equity Rights Offering Documents; (5) entry into the Debt Rights Offering Documents; (6) entry into the Exit ABL Facility; (7) entry into the Exit Holdco Loan Facility; (8) adoption of the New Organizational Documents; (9) rejection, assumption, or assumption and assignment, as applicable, of Executory Contracts and Unexpired Leases; (10) modification, rejection, adoption, or assumption, as applicable, of the Compensation and Benefits Programs; (11) adoption of the Management Incentive Plan; (12) all other actions contemplated under this Plan (whether to occur before, on, or after the Effective Date, including with respect to the Exit Holdco Loan Conversion (to the extent applicable)); and (13) all other acts or actions contemplated or reasonably necessary or appropriate to promptly consummate the Restructuring Transactions contemplated by this Plan (whether to occur before, on, or after the Effective Date). All matters provided for in this Plan involving the corporate structure of the Debtors or the Reorganized Debtors, and any corporate, partnership, limited liability company, or other governance action required by the Debtors or the Reorganized Debtors, as applicable, in connection with this Plan shall be deemed to have occurred and shall be in effect, without any requirement of further action by the Security Holders, members, directors, managers, or officers of the Debtors or the Reorganized Debtors, as applicable.

On or prior to the Effective Date, as applicable, the appropriate officers of the Debtors or the Reorganized Debtors, as applicable, shall be authorized and (as applicable) directed to issue, execute, and deliver the agreements, documents, Securities, and instruments contemplated under this Plan (or necessary or desirable to effect the transactions contemplated under this Plan) in the name of and on behalf of the Reorganized Debtors, including the Exit ABL Facility Documents, the New Interests, the Equity Rights Offering Documents, the Debt Rights Offering Documents, the Exit Holdco Loan Documents, the New Organizational Documents, any other Definitive Document and any and all other agreements, documents, Securities, and instruments relating to the foregoing. The authorizations and approvals contemplated by this Article IV.H shall be effective notwithstanding any requirements under non-bankruptcy Law.

I. New Organizational Documents.

On or immediately prior to the Effective Date, the New Organizational Documents shall be automatically adopted or amended in a manner consistent with this Plan and as may be necessary to effectuate the transactions contemplated herein by the applicable Reorganized Debtor. To the extent required under this Plan or applicable non-bankruptcy Law, each of the Reorganized Debtors will file its New Organizational Documents with the applicable secretaries of state and/or other applicable authorities in its respective state, province, or country of incorporation and organization if and to the extent required in accordance with the applicable Laws of the respective state or country of organization. The New Organizational Documents will (1) prohibit the issuance of non-voting equity Securities, to the extent required under section 1123(a)(6) of the Bankruptcy Code, (2) with respect to the New Organizational Documents for Reorganized Ascend, including the New Equityholders' Documents, authorize the issuance of the New Interests in an amount not less than the amount necessary to permit the distributions thereof required or contemplated by this Plan, and (3) to the extent necessary or appropriate, include such provisions as may be needed to effectuate and consummate this Plan and the Restructuring Transactions contemplated herein. The New Organizational Documents shall also provide for standard and customary indemnification and exculpation of directors, officers, managers, and the other appropriate Persons to the fullest extent permitted by applicable Law.

On and as of the Effective Date, each Holder of New Interests shall be deemed to be a party to the New Equityholders' Agreement and bound by the New Organizational Documents (including any documents related thereto

and as may be amended from time to time in accordance with the terms thereof) without the need for execution by such Holder. The New Equityholders' Agreement shall be binding on all Entities receiving, and all Holders of, the New Interests (and their respective successors and assigns), whether such New Interests (including any New Interests issued as a result of the Exit Holdco Loan Conversion (to the extent applicable)) are received or to be received on or after the Effective Date and regardless of whether such Entity executes or delivers a signature page to the New Equityholders' Agreement.

After the Effective Date, the Reorganized Debtors may amend, amend and restate, or otherwise modify their respective New Organizational Documents in accordance with the terms thereof, and the Reorganized Debtors may file such amended, amended and restated, or otherwise modified certificates or articles of incorporation, bylaws, or such other applicable formation documents, and other constituent documents as permitted by the Laws of the respective states, provinces, or countries of incorporation and the New Organizational Documents.

J. [Indemnification Obligations.]

Consistent with applicable Law, all indemnification provisions, other than the indemnification provisions in favor of any Excluded Party, in place immediately before the Effective Date (whether in the bylaws, certificates of incorporation or formation, limited liability company agreements, other organizational documents, board resolutions, indemnification agreements, employment contracts, D&O Liability Insurance Policies, or otherwise) for current and former directors, officers, managers, employees, attorneys, accountants, investment bankers, and other professionals of each of the Debtors, as applicable, shall (1) not be discharged, impaired, or otherwise affected in any way, including by this Plan, the Plan Supplement, or the Confirmation Order, (2) remain intact, in full force and effect, and irrevocable, (3) not be limited, reduced, or terminated after the Effective Date, and (4) survive the effectiveness of this Plan on terms no less favorable to such current and former directors, officers, managers, employees, attorneys, accountants, investment bankers, and other professionals of the Debtors than the indemnification provisions in place prior to the Effective Date irrespective of whether such indemnification obligation is owed for an act or event occurring before, on, or after the Petition Date. All such obligations shall be deemed and treated as Executory Contracts to be assumed by the Debtors under this Plan and shall continue as obligations of the Reorganized Debtors so long as such Entity is not an Excluded Party.

Notwithstanding anything to the contrary in the Plan or the Confirmation Order, none of the indemnification provisions providing for indemnification of the Excluded Parties by the Debtors or the Non-Debtor Subsidiaries shall be assumed, and such indemnification provisions shall be rejected as of the Effective Date with regard to the Excluded Parties.⁸

K. Directors and Officers of the Reorganized Debtors.

As of the Effective Date, the terms of the current members of the board of directors of Ascend shall expire and the new directors and officers of Reorganized Ascend shall be appointed in accordance with the New Organizational Documents; *provided* that the Disinterested Directors shall retain their authority following the Effective Date solely with respect to matters relating to Professional Claim requests by Professionals acting at their authority and direction in accordance with the terms of the Plan. The Disinterested Directors shall not have any of their privileged and confidential documents, communications, or information transferred (or deemed transferred) to the Reorganized Debtors or any other Entity without the Disinterested Directors' prior written consent. Each Disinterested Director of the Debtors retains the right to review, approve, and make decisions, and to file papers and be heard before the Bankruptcy Court, on all matters under their continuing authority. The New Board shall consist of [●] directors or managers, as applicable, as designated in accordance with the New Equityholders' Agreement. The initial members of the New Board will be identified in the Plan Supplement to the extent known at the time of Filing. Each such director, manager, and/or officer, as applicable of the Reorganized Debtors shall serve from and after the Effective Date pursuant to the New Organizational Documents and the other constituent documents of the Reorganized Debtors. Corporate governance for Reorganized Ascend, including charters, bylaws, operating agreements, or other

⁸ The Debtors and the Ad Hoc Group continue to negotiate the terms of and have not agreed on the form of this Article IV.J.

organization documents, as applicable, shall be consistent with section 1123(a)(6) of the Bankruptcy Code and the New Organizational Documents.

L. Effectuating Documents; Further Transactions.

On and after the Effective Date, the Reorganized Debtors and their respective officers, directors, members, or managers (as applicable), are authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of this Plan and the Securities issued pursuant to this Plan in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization, or consents except for those expressly required pursuant to this Plan.

M. Section 1146 Exemption.

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code, any transfers (whether from a Debtor to a Reorganized Debtor or to any other Person) of property under this Plan or pursuant to: (1) the issuance, distribution, transfer, or exchange of any debt, equity Security, or other interest in the Debtors or the Reorganized Debtors, including the New Interests; (2) the Restructuring Transactions; (3) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means; (4) the making, assignment, or recording of any lease or sublease; (5) the grant of collateral as security for the Exit ABL Facility; (6) the grant of collateral as security for the Exit Holdco Loan Facility; or (7) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, this 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 this Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, personal property 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 upon entry of the Confirmation Order, the appropriate 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, recordation fee, or governmental assessment. All filing or recording officers (or any other Person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146(a) of the Bankruptcy Code, shall forego the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

N. Director and Officer Liability Insurance.

[To the extent consistent with Article IV.J of this Plan, the Reorganized Debtors shall be deemed to have assumed all of the Debtors' D&O Liability Insurance Policies pursuant to sections 105 and 365(a) of the Bankruptcy Code effective as of the Effective Date. Entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Reorganized Debtors' foregoing assumption of each of the unexpired D&O Liability Insurance Policies. To the extent consistent with Article IV.J of this Plan, Confirmation of this Plan shall not discharge, impair, or otherwise modify any indemnity obligations assumed by the foregoing assumption of 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 Debtors under this Plan as to which no Proof of Claim need be Filed. Coverage for defense and indemnity under the D&O Liability Insurance Policies shall remain available to all individuals insured thereunder, to the extent consistent with Article IV.J of this Plan.

In addition, to the extent consistent with Article IV.J of this Plan, after the Effective Date, none of the Reorganized Debtors shall terminate or otherwise reduce the coverage under any D&O Liability Insurance Policies (including any "tail policy") in effect on or after the Petition Date, with respect to conduct or events occurring prior to the Effective Date, and all directors, managers, and/or officers, as applicable, of the Debtors who served in such capacity at any time prior to the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy, to the extent set forth therein, regardless of whether such directors, managers, and/or officers, as applicable, remain in such positions after the Effective Date.

The Debtors and the Reorganized Debtors, as applicable, shall maintain tail coverage under any D&O Liability Insurance Policies for the six-year period following the Effective Date on terms no less favorable than under, and with an aggregate limit of liability no less than the aggregate limit of liability under, the D&O Liability Insurance Policies, to the extent consistent with Article IV.J of this Plan. In addition to such tail coverage, the D&O Liability Insurance Policies shall remain in place in the ordinary course during the Chapter 11 Cases.

To the extent consistent with Article IV.J of this Plan, the Debtors or the Reorganized Debtors, as applicable, shall not terminate or otherwise reduce the coverage under any of the D&O Liability Insurance Policies in effect prior to the Effective Date, and any directors and officers of the Debtors who served in such capacity at any time before or after the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether such directors and/or officers remain in such positions after the Effective Date.]⁹

O. Management Incentive Plan.

On or after the Effective Date, the New Board shall adopt the Management Incentive Plan consistent with the MIP Term Sheet, which shall be included in the Plan Supplement. All grants under the Management Incentive Plan shall ratably dilute all equity issued pursuant to the Plan, including any New Interests issued pursuant to the Term Loan Equity Distribution, the DIP Equity Recovery, the Equity Rights Offering, and the Debt Rights Offering.

P. Employee and Retiree Benefits.

Unless included in the Rejected Executory Contracts and Unexpired Leases Schedule, and subject to Article V hereof, all Compensation and Benefits Programs shall be assumed or modified, in each case, by the Reorganized Debtors with the consent of the Required DIP Term Loan Lenders and shall remain in place as of the Effective Date, and the Reorganized Debtors will continue to honor such agreements, arrangements, programs, and plans.

For the avoidance of doubt, pursuant to section 1129(a)(13) of the Bankruptcy Code, from and after the Effective Date, all retiree benefits (as such term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid in accordance with applicable Law. Notwithstanding anything herein to the contrary, other than to the extent that such agreements are included on the Rejected Executory Contracts and Unexpired Leases Schedule on or before September 30, 2025, on the Effective Date, the Reorganized Debtors shall (1) assume all employment agreements, indemnification agreements, or other agreements entered into with the current employees or (2) enter into new agreements with such employees.

Q. Preservation of Causes of Action.

In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article VIII hereof, each Reorganized Debtor, as applicable, shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action of the Debtors, whether arising before or after the Petition Date, including any actions specifically enumerated on the Schedule of Retained Causes of Action, and the Reorganized Debtors' rights to commence, prosecute, or settle such retained Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date or any other provision of this Plan to the contrary, other than the Causes of Action released by the Debtors pursuant to the releases and exculpations contained in this Plan, including in Article VIII hereof, which shall be deemed released and waived by the Debtors and the Reorganized Debtors as of the Effective Date. **For the avoidance of doubt, any and all Causes of Action against the Excluded Parties are preserved.**

The Reorganized Debtors may pursue such retained Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors. **No Person or Entity (other than the DIP Lenders, the Bridge Lenders, the Term Loan Lenders, the ABL Lenders, the Agents, and the members of the Ad Hoc Group) may rely on the absence of a specific reference in this Plan, the Plan Supplement, or the Disclosure Statement to any Causes of Action against it as any indication that the Debtors or the Reorganized Debtors, as applicable, will not pursue**

⁹ The Debtors and the Ad Hoc Group continue to negotiate the terms of and have not agreed on the form of this Article IV.P.

any and all available retained Causes of Action of the Debtors against it. Except as specifically released under this Plan or pursuant to a Final Order, the Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all retained Causes of Action against any Entity, except (1) as otherwise expressly provided in this Plan, including Article VIII hereof or (2) the DIP Lenders, the Bridge Lenders, the Term Loan Lenders, the ABL Lenders, the Agents, and the members of the Ad Hoc Group. Unless otherwise agreed upon in writing by the parties to the applicable retained Causes of Action, all objections to the Schedule of Retained Causes of Action must be Filed with the Bankruptcy Court on or before thirty (30) days after the Effective Date. Any such objection that is not timely Filed shall be disallowed and forever barred, estopped, and enjoined from assertion against any Reorganized Debtor, without the need for any objection or responsive pleading by the Reorganized Debtors or any other party in interest or any further notice to or action, order, or approval of the Bankruptcy Court. The Reorganized Debtors may settle any such objection without any further notice to or action, order, or approval of the Bankruptcy Court. If there is any dispute regarding the inclusion of any Causes of Action on the Schedule of Retained Causes of Action that remains unresolved by the Debtors or Reorganized Debtors, as applicable, and the objecting party for thirty (30) days, such objection shall be resolved by the Bankruptcy Court. Unless any Causes of Action of the Debtors against an Entity (other than the DIP Lenders, the Bridge Lenders, the Term Loan Lenders, the ABL Lenders, the Agents, and the members of the Ad Hoc Group) are expressly waived, relinquished, exculpated, released, compromised, or settled in this Plan or a Final Order (and for the avoidance of doubt, any Causes of Action on the Schedule of Retained Causes of Action shall not be expressly relinquished, exculpated, released, compromised, or settled in the Plan), the Reorganized Debtors expressly reserve all retained Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such retained Causes of Action upon, after, or as a consequence of Confirmation or Consummation.

The Reorganized Debtors reserve and shall retain such retained Causes of Action of the Debtors notwithstanding the rejection or repudiation of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to this Plan and, with respect to any counterclaims or crossclaims held by the Debtors, notwithstanding the discharge of the underlying Claim or related Claims against the Debtors or their Related Parties. In accordance with section 1123(b)(3) of the Bankruptcy Code, and except as expressly waived, relinquished, exculpated, released, compromised, or settled in this Plan or pursuant to a Final Order, any retained Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors, except (1) as otherwise expressly provided in this Plan, including Article VIII hereof or (2) such Causes of Action that are against the DIP Lenders, the Bridge Lenders, the Term Loan Lenders, the ABL Lenders, the Agents, and the members of the Ad Hoc Group. The applicable Reorganized Debtors, through their authorized agents or representatives, shall retain and may exclusively enforce any and all such retained Causes of Action. The Reorganized Debtors shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such retained Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

R. Private Company.

The Reorganized Debtors shall (1) continue as and emerge from these Chapter 11 Cases as a private company on the Effective Date, and the New Interests shall not be listed on a national Securities exchange, (2) not be voluntarily subject to any reporting or registration requirements promulgated by the SEC, and (3) not be required to list the New Interests on a recognized national Securities exchange.

ARTICLE V. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases.

On the Effective Date, except as otherwise provided in Article V.I.1 and elsewhere herein, all Executory Contracts or Unexpired Leases that are not otherwise rejected will be deemed assumed by the applicable Reorganized Debtor in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those that: (1) are identified on the Rejected Executory Contracts and Unexpired Leases Schedule; (2) previously expired or terminated pursuant to their own terms; (3) have been previously assumed or rejected by the Debtors pursuant to a Final Order; (4) are the subject of a motion to reject that is pending on the Effective Date; or (5) have an

ordered or requested effective date of rejection that is after the Effective Date; or (6) are Executory Contracts or Unexpired Leases with the Sponsor.

Entry of the Confirmation Order shall constitute an order of the Bankruptcy Court approving the assumptions, assumptions and assignments, or rejections of the Executory Contracts or Unexpired Leases as set forth in this Plan or the Rejected Executory Contracts and Unexpired Leases Schedule, as applicable, pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Except as otherwise specifically set forth herein, assumptions or rejections of Executory Contracts and Unexpired Leases pursuant to this Plan are effective as of the Effective Date. Each Executory Contract or Unexpired Lease assumed pursuant to this Plan or by Bankruptcy Court order but not assigned to a third party before the Effective Date shall re-vest in, and be fully enforceable by, the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may have been modified by the provisions of this Plan or any order of the Bankruptcy Court authorizing and providing for its assumption. Any motions to assume Executory Contracts or Unexpired Leases pending on the Effective Date shall be subject to approval by a Final Order on or after the Effective Date but may be withdrawn, settled, or otherwise prosecuted by the Reorganized Debtors.

To the maximum extent permitted by Law, to the extent any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned pursuant to this Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assumption and assignment of such Executory Contract or Unexpired Lease (including any "change of control" provision), then such provision shall be deemed modified such that the transactions contemplated by this Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Notwithstanding anything to the contrary in this Plan, the Debtors or the Reorganized Debtors, as applicable, reserve the right to alter, amend, modify, or supplement the Rejected Executory Contracts and Unexpired Leases Schedule at any time up to forty-five (45) days after the Effective Date.

To the extent any provision of the Bankruptcy Code or the Bankruptcy Rules requires the Debtors to assume or reject an Executory Contract or Unexpired Lease, such requirement shall be satisfied if the Debtors make an election to assume or reject such Executory Contract or Unexpired Lease prior to the deadline set forth by the Bankruptcy Code or the Bankruptcy Rules, as applicable, regardless of whether or not the Bankruptcy Court has actually ruled on such proposed assumption or rejection prior to such deadline.

If certain, but not all, of a contract counterparty's Executory Contracts or Unexpired Leases are assumed pursuant to the Plan, the Confirmation Order shall be a determination that such counterparty's Executory Contracts or Unexpired Leases that are being rejected pursuant to the Plan are severable agreements that are not integrated with those Executory Contracts and/or Unexpired Leases that are being assumed pursuant to the Plan. Parties seeking to contest this finding with respect to their Executory Contracts and/or Unexpired Leases must File a timely objection to the Plan on the grounds that their agreements are integrated and not severable, and any such dispute shall be resolved by the Bankruptcy Court at the Confirmation Hearing (to the extent not resolved by the parties prior to the Confirmation Hearing).

B. Claims Based on Rejection of Executory Contracts or Unexpired Leases.

Unless otherwise provided by this Plan or a Final Order of the Bankruptcy Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to this Plan or the Confirmation Order, if any, must be Filed with the Bankruptcy Court within thirty (30) days after the later of (1) the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection, (2) the effective date of such rejection, and (3) the Effective Date. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease that are (1) with a Sponsor Entity or (2) not Filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Debtors or the Reorganized Debtors, their Estates, or their property without the need for any objection by the Reorganized Debtors or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Proof of Claim to the contrary.** Unless otherwise provided for herein, all Allowed Claims arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims and shall be treated in accordance with Article III.B.4 of this Plan, as applicable.

C. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.

Unless otherwise agreed upon in writing by the parties to the applicable Executory Contract or Unexpired Lease, all requests for payment of Cure costs that differ from the amounts paid or proposed to be paid by the Debtors or the Reorganized Debtors to a counterparty must be filed with the Claims and Noticing Agent on or before fourteen (14) days after the service of the Schedule of Proposed Cure Amounts. Any objection will be scheduled to be heard by the Bankruptcy Court at the Confirmation Hearing or at the Debtors' or Reorganized Debtors', as applicable, first scheduled omnibus hearing for which such objection is timely Filed. Any such request that is not timely Filed shall be disallowed and forever barred, estopped, and enjoined from assertion, and shall not be enforceable against any Debtor or Reorganized Debtor, without the need for any objection by the Debtors or Reorganized Debtors or any other party in interest or any further notice to or action, order, or approval of the Bankruptcy Court. Any Cure costs shall be deemed fully satisfied, released, and discharged upon payment by the Debtors or the Reorganized Debtors of the applicable Cure costs; *provided, however*, that nothing herein shall prevent the Reorganized Debtors from paying any Cure costs despite the failure of the relevant counterparty to File such request for payment of such Cure costs. The Reorganized Debtors also may settle any disputes related to Cure costs without any further notice to or action, order, or approval of the Bankruptcy Court.

If there is any dispute regarding any Cure costs, the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" within the meaning of section 365 of the Bankruptcy Code, or any other matter pertaining to assumption, then payment of any Cure costs shall occur as soon as reasonably practicable (a) after entry of a Final Order resolving such dispute, approving such assumption (and, if applicable, assignment), or (b) as may be agreed upon by the Debtors or the Reorganized Debtors, as applicable, and the counterparty to the Executory Contract or Unexpired Lease. Any Cure shall be deemed fully satisfied, released, and discharged upon payment of the Cure costs.

The Debtors or the Reorganized Debtors, as applicable, with the consent of the Required DIP Term Loan Lenders, reserve the right at any time to move to reject any Executory Contract or Unexpired Lease based upon the existence of any such unresolved dispute. If the Bankruptcy Court determines that the Allowed Cure cost with respect to any Executory Contract or Unexpired Lease is greater than the amount set forth on the Schedule of Proposed Cure Amounts, the Debtors shall have the right to add such Executory Contract or Unexpired Lease to the Rejected Executory Contracts and Unexpired Leases Schedule, in which case such Executory Contract or Unexpired Lease will be deemed rejected as of the Effective Date or such earlier date specified in the Rejected Executory Contracts and Unexpired Leases Schedule subject to the applicable counterparty's right to object to such rejection.

Any counterparty to an Executory Contract or an Unexpired Lease that fails to object timely to the proposed assumption and/or Cure amount (including any request for an additional or different Cure amount) will be deemed to have consented to such assumption and/or Cure amount, and any untimely request for an additional or different Cure amount shall be disallowed and forever barred, estopped, and enjoined from assertion, and shall not be enforceable against any Reorganized Debtor, without the need for any objection by the Reorganized Debtors or any other party in interest or any further notice to or action, order, or approval of the Bankruptcy Court.

The assumption of any Executory Contract or Unexpired Lease pursuant to this Plan or otherwise shall result in the full release and satisfaction of any Cures, Claims, or defaults, whether monetary or nonmonetary defaults, including defaults of provisions restricting the change in control or ownership interest composition or any bankruptcy-related defaults, arising at any time prior to the effective date of assumption. **Any and all Proofs of Claim based upon Executory Contracts or Unexpired Leases that have been assumed in the Chapter 11 Cases, including pursuant to the Confirmation Order, shall be deemed disallowed and expunged as of the later of (1) the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such assumption, (2) the effective date of such assumption, or (3) the Effective Date without the need for any objection thereto or any further notice to or action, order, or approval of the Bankruptcy Court.**

D. Preexisting Obligations to the Debtors Under Executory Contracts and Unexpired Leases.

Rejection of any Executory Contract or Unexpired Lease pursuant to this Plan or otherwise shall not constitute a termination of preexisting obligations owed to the Debtors or the Reorganized Debtors, as applicable, under such Executory Contracts or Unexpired Leases. In particular, notwithstanding any applicable non-bankruptcy

Law to the contrary, the Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations with respect to goods previously purchased by the Debtors pursuant to rejected Executory Contracts or Unexpired Leases.

E. Insurance Policies.

Each of the Debtors' insurance policies and any agreements, documents, or instruments relating thereto, shall be treated as Executory Contracts hereunder. Unless otherwise provided in this Plan (including in the Rejected Executory Contracts and Unexpired Leases Schedule), on the Effective Date, (1) the Debtors shall be deemed to have assumed all insurance policies and any agreements, documents, and instruments relating to coverage of all insured Claims, including all D&O Liability Insurance Policies, and (2) such insurance policies and any agreements, documents, or instruments relating thereto shall revert in the Reorganized Debtors.

F. Modifications, Amendments, Supplements, Restatements, or Other Agreements.

Unless otherwise provided in this Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements have been previously rejected or repudiated or are rejected or repudiated under this Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease or the validity, priority, or amount of any Claims that may arise in connection therewith.

G. Reservation of Rights.

Nothing contained in this Plan or the Plan Supplement shall constitute an admission by the Debtors or any other party that any contract or lease is in fact an Executory Contract or Unexpired Lease or that any 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 or rejection, the Debtors or the Reorganized Debtors, as applicable, shall have forty-five (45) days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

H. Nonoccurrence of Effective Date.

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

I. Employee Compensation and Benefits.

1. Compensation and Benefits Programs.

Subject to the provisions of this Plan, all Compensation and Benefits Programs shall be treated as Executory Contracts under this Plan and shall be assumed, modified, or rejected as determined by the Debtors with the consent of the Required DIP Term Loan Lenders and pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code, except for: (a) all Compensation and Benefits Programs with the Sponsor, which shall be rejected; (b) all employee equity or equity-based incentive plans, and any provisions set forth in the Compensation and Benefits Programs that provide for rights to acquire Interests in any of the Debtors, which shall not constitute or be deemed to constitute Executory Contracts and shall be deemed terminated on the Effective Date; (c) Compensation and Benefits Programs that, as of the entry of the Confirmation Order, have been specifically waived by the applicable beneficiaries;

and (d) any employment agreements that are not included on the Rejected Executory Contracts and Unexpired Leases Schedule on or before September 30, 2025, which shall be assumed.

A counterparty to a Compensation and Benefits Program assumed pursuant to this Plan shall have the same rights under such Compensation and Benefits Program as such counterparty had thereunder immediately prior to such assumption (unless otherwise agreed to by such counterparty and the applicable Reorganized Debtor(s)); *provided, however*, that any assumption of Compensation and Benefits Programs pursuant to this Plan or any of the Restructuring Transactions shall not trigger or be deemed to trigger any change of control, immediate vesting, termination, or similar provisions therein.

Any assumption of Compensation and Benefits Programs pursuant to the terms herein and the Restructuring Transactions and related matters contemplated by this Plan shall be deemed not to trigger (i) any applicable change of control, immediate vesting, termination (similar provisions therein) or (ii) an event of “Good Reason” (or a term of like import), in each case as a result of the Consummation of the Restructuring Transactions. A counterparty to a Compensation and Benefits Program assumed pursuant to this Plan shall have the same rights under such Compensation and Benefits Program as such counterparty had thereunder immediately prior to such assumption (unless otherwise agreed to by such counterparty and the applicable Reorganized Debtor(s)).

2. Workers’ Compensation Programs.

As of the Effective Date, the Debtors and the Reorganized Debtors shall continue to honor their obligations under: (a) all applicable workers’ compensation Laws in jurisdictions in which the Reorganized Debtors operate; and (b) the Debtors’ written contracts, agreements, agreements of indemnity, self-insured workers’ compensation bonds, policies, programs, and plans for workers’ compensation and workers’ compensation insurance. All Proofs of Claim on account of workers’ compensation shall be deemed withdrawn automatically and without any further notice to or action, order, or approval of the Bankruptcy Court; *provided* that nothing in this Plan shall limit, diminish, or otherwise alter the Debtors’ or Reorganized Debtors’ defenses, Causes of Action, or other rights under applicable Law, including non-bankruptcy Law with respect to any such contracts, agreements, policies, programs, and plans; *provided, further*, that nothing herein shall be deemed to impose any obligations on the Debtors in addition to what is provided for under applicable state Law.

ARTICLE VI. PROVISIONS GOVERNING DISTRIBUTIONS

A. Distributions on Account of Claims Allowed as of the Effective Date.

Except as otherwise provided herein, in a Final Order, or as otherwise agreed to by the Debtors or the Reorganized Debtors, as applicable, and the Holder of the applicable Allowed Claim on the first Distribution Date, the Reorganized Debtors shall, on, or as soon as reasonably practicable after, the Effective Date, make initial distributions under this Plan on account of Claims Allowed as of the Effective Date, subject to the Reorganized Debtors’ right to object to Claims; *provided* that (1) Allowed Administrative Claims with respect to liabilities incurred by the Debtors in the ordinary course of business during the Chapter 11 Cases or assumed by the Debtors prior to the Effective Date shall be paid or performed 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, (2) Allowed Priority Tax Claims shall be paid in accordance with Article II.D of this Plan, and (3) Allowed General Unsecured Claims shall be paid in accordance with Article III.B.4 of this Plan, as applicable. To the extent any Allowed Priority Tax Claim is not due and owing on the Effective Date, such Claim shall be paid in full in Cash in accordance with and as may be due and payable under applicable non-bankruptcy Law or in the ordinary course of business. Thereafter, a Distribution Date shall occur no less frequently than once in any ninety (90) day period, as necessary, in the Reorganized Debtors’ sole discretion. 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. Except as otherwise provided in this Plan, Holders of Claims or Interests shall not be entitled to interest, dividends, or accruals on the distributions provided for in this Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date.

B. Distribution Agent.

All distributions under this Plan shall be made by the Distribution Agent. The Distribution Agent shall not be required to give any bond or surety or other form of security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. Additionally, in the event that the Distribution Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be borne by the Reorganized Debtors.

C. Rights and Powers of the 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 attorney fees and expenses), made by the Distribution Agent shall be paid in Cash by the Reorganized Debtors.

D. Delivery of Distributions and Undeliverable or Unclaimed Distributions.

1. Record Date for Distribution.

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. If a Claim, is transferred [twenty (20)] or fewer days before the Distribution Record Date, the Distribution Agent shall make distributions to the transferee only to the extent practical and, in any event, only if the relevant transfer form contains an unconditional and explicit certification and waiver of any objection to the transfer by the transferor.

2. Delivery of Distributions in General.

Except as otherwise provided herein, the Distribution Agent shall make distributions to Holders of Allowed Claims and Allowed Interests (as applicable) as of the Distribution Record Date, or if applicable, to such Holder's designee (to the extent prohibited under applicable Securities Laws), as appropriate (a) at the address for each such Holder as indicated on the Debtors' records as of the Distribution Record Date (or of a designee designated by the applicable Holder); (b) to the signatory set forth on any Proof of Claim or Proof of Equity Interest Filed by such Holder or other representative identified therein (or at the last known addresses of such Holder if no Proof of Claim or Proof of Interest is Filed or if the Debtors have not been notified in writing of a change of address); (c) at the addresses set forth in any written notices of address changes delivered to the Reorganized Debtors or the applicable Distribution Agent, as appropriate, after the date of any related Proof of Claim or Proof of Interest; or (d) on any counsel that has appeared in the Chapter 11 Cases on the Holder's behalf; *provided* that the manner of such distributions shall be determined at the discretion of the Reorganized Debtors.

3. Minimum Distributions.

In the discretion of the Reorganized Debtors, (a) no Cash payments of less than \$250 and (b) no distribution and issuance of New Interests on the Distribution Date comprising less than \$250 in value (as determined in good faith by the Reorganized Debtors) shall be made, in each case, to a Holder of an Allowed Claim or Allowed Interest

(taken together, as a whole, with such Holder's Affiliates for the purposes of the foregoing calculations) on account of such Allowed Claim or Allowed Interest.

No fractional shares of New Interests (or equivalent units of other interests) shall be distributed, and no Cash shall be distributed in lieu of such fractional amounts. When any distribution pursuant to this Plan on account of an Allowed Claim or Allowed Interest (as applicable) would otherwise result in the issuance of a number of shares of New Interests that is not a whole number, the actual distribution of shares (or equivalent units of other interests) of New Interests shall be rounded to the next lower whole number with no further payment therefor. Prior to the Distribution Date, a Holder of an Allowed Claim may affirmatively reject the receipt of a distribution of New Interests in writing to the Reorganized Debtors or the Distribution Agent (email being sufficient). The total number of authorized shares (or equivalent of other interests) of New Interests to be distributed to Holders of Allowed Claims hereunder shall be adjusted as necessary to account for the foregoing rounding or any affirmative rejection of a New Interest prior to the Distribution Date by a Holder of an Allowed Claim.

4. Undeliverable Distributions and Unclaimed Property.

In the event that any distribution to any Holder of Allowed Claims or Allowed Interests (as applicable) 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 or other necessary information for delivery, at which time such distribution shall be made to such Holder on the next Distribution Date without interest. Undeliverable distributions shall remain in the possession of the Reorganized Debtors until such time as a distribution becomes deliverable or such distribution reverts to the Reorganized Debtors or is canceled pursuant to this Article VI.D.4 and shall not be supplemented with any interest, dividends, or other accruals of any kind; *provided* that any distribution under this Plan that is an Unclaimed Distribution or remains undeliverable for a period of one hundred and eighty (180) calendar days after distribution shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code. After such date, all unclaimed property or interests in property shall revert in the Reorganized Debtors 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 and Interests to such property or Interest in property shall be discharged and forever barred. Upon such reversion, the Claim (other than any Reinstated Claims) of the Holder or its successors with respect to such property shall be canceled, released, discharged, and forever barred notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property Laws, or any provisions in any document governing the distribution that is an Unclaimed Distribution, to the contrary. To the extent that such Unclaimed Distribution is comprised of New Interests, such New Interests may be canceled at the discretion of the Reorganized Debtors, and the Distribution Agent shall adjust the distributions of New Interests to reflect any such cancellation.

5. Surrender of Canceled Instruments or Securities.

On the Effective Date or as soon as reasonably practicable thereafter, each Holder (and the applicable agents for such Holder) of a book-entry interest, certificate, or instrument evidencing a Claim or an Interest that has been canceled in accordance with Article IV.G hereof shall be deemed to have surrendered such book-entry interest, certificate, or instrument to the Distribution Agent. Such surrendered book-entry interest, certificate, or instrument shall be canceled solely with respect to the Debtors, and any Non-Debtor Subsidiaries, and such cancellation shall not alter the obligations or rights of any non-Debtor third parties (other than the Non-Debtor Subsidiaries) vis-à-vis one another with respect to such book-entry interest, certificate, or instrument, including with respect to any indenture or agreement that governs the rights of the Holder of a Claim or Interest, which shall continue in effect for the purposes of allowing Holders to receive distributions under this Plan, charging Liens, priority of payment, and indemnification rights. Notwithstanding anything to the contrary herein, this paragraph shall not apply to book-entry interests, certificates, or instruments evidencing Claims that are Unimpaired under this Plan.

E. *Manner of Payment.*

Except as otherwise set forth herein, the Plan Supplement, or any agreement, instrument, or document incorporated in this Plan or the Plan Supplement, all distributions of Cash and the New Interests to the Holders of the applicable Allowed Claims under this Plan shall be made by the Distribution Agent on behalf of the Debtors or

Reorganized Debtors, as applicable. At the option of the Distribution Agent, any Cash payment to be made hereunder may be made by check or wire transfer or as otherwise required or provided in applicable agreements.

F. Compliance with Tax Requirements.

In connection with this Plan, to the extent applicable, the Debtors, Reorganized Debtors, Distribution Agent, and any applicable withholding or reporting agent shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions made pursuant to this Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in this Plan to the contrary, any applicable withholding or reporting 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, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Debtors and Reorganized Debtors reserve the right to allocate all distributions made under this Plan in compliance with all applicable wage garnishments, alimony, child support, and similar spousal awards, Liens, and encumbrances.

G. Allocations.

Distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to any portion of such Claims for accrued but unpaid interest.

H. No Postpetition Interest on Claims.

Unless otherwise specifically provided for in the DIP Orders, this Plan, or the Confirmation Order, or required by applicable bankruptcy and non-bankruptcy Law, postpetition interest shall not accrue or be paid on any prepetition Claims (other than any Reinstated Claims) against the Debtors, and no Holder of a prepetition Claim (other than any Reinstated Claims) against the Debtors shall be entitled to interest accruing on or after the Petition Date on any such prepetition Claim. Additionally, and without limiting the foregoing, interest shall not accrue or be paid on any Disputed Claim with respect to the period from the Effective Date to the date a final distribution is made on account of such Disputed Claim, if and when such Disputed Claim becomes an Allowed Claim.

I. Foreign Currency Exchange Rate.

Except as otherwise provided in a Bankruptcy Court order, as of the Effective Date, any Claim asserted in currency other than United States dollars shall be automatically deemed converted to the equivalent United States dollar value using the exchange rate for the applicable currency as published in The Wall Street Journal, National Edition, on the Effective Date.

J. Setoffs and Recoupment.

Except as expressly provided in the DIP Order and this Plan, including pursuant to Article VIII hereof, each Reorganized Debtor may, pursuant to sections 553 and/or 558 of the Bankruptcy Code, set off and/or recoup against any Plan Distributions to be made on account of any Allowed Claim any and all Claims, rights, and Causes of Action that such Reorganized Debtor may hold against the Holder of such Allowed Claim to the extent such setoff or recoupment is either (1) agreed in amount among the relevant Reorganized Debtor(s) and the Holder of the Allowed Claim or (2) otherwise adjudicated by the Bankruptcy Court or another court of competent jurisdiction; *provided* that neither the failure to effectuate a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release by a Reorganized Debtor or its successor of any and all Claims, rights, and Causes of Action that such Reorganized Debtor or its successor may possess against the applicable Holder. In no event shall any Holder of a Claim or Interest be entitled to recoup such Claim or Interest against any Claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors in accordance with Article XII.G hereof on or before the Effective

Date, notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

K. No Double Payment of Claims.

To the extent that a Claim is Allowed against more than one Debtor's Estate, there shall only be a single recovery on account of that Allowed Claim. No Holder of an Allowed Claim shall be entitled to receive more than payment in full of its Allowed Claim, and each Claim shall be administered and treated in the manner provided by the Plan only until payment in full on that Allowed Claim.

L. Claims Paid or Payable by Third Parties.

1. Claims Paid by Third Parties.

The Debtors or the Reorganized Debtors, as applicable, shall reduce in full a Claim, and such Claim shall be disallowed without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not a Debtor or a Reorganized Debtor. Subject to the [last] sentence of this paragraph, to the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not a Debtor or a Reorganized Debtor on account of such Claim, such Holder shall, within fourteen (14) days of receipt thereof, repay or return the distribution to the applicable Reorganized Debtor, to the extent the Holder's total recovery on account of such Claim from the third party and under this Plan exceeds the amount of such Claim as of the date of any such distribution under this Plan. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the applicable Reorganized Debtor annualized interest at the Federal Judgment Rate on such amount owed for each Business Day after the fourteen (14) day grace period specified above until the amount is fully repaid.

2. Claims Payable by Third Parties.

No distributions under this Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agrees to satisfy or is found liable for satisfying in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

3. Applicability of Insurance Policies.

Except as otherwise provided in this Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing contained in this Plan shall constitute or be deemed a release, settlement, satisfaction, compromise, or waiver of any Causes of Action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

**ARTICLE VII.
PROCEDURES FOR RESOLVING
CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS**

A. Allowance of Claims.

After the Effective Date, each of the Reorganized Debtors shall have and retain any and all rights and defenses the applicable Debtor had with respect to any Claim or Interest immediately before the Effective Date. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), no Claim or Interest shall become an Allowed Claim or Interest unless and until such Claim or Interest, as applicable, is deemed Allowed under the Plan or the Bankruptcy Code, or the Bankruptcy Court has

entered a Final Order, including the Confirmation Order (when it becomes a Final Order), in the Chapter 11 Cases allowing such Claim. The Debtors, with the reasonable consent of the Required DIP Term Loan Lenders, may determine to Reinstate a Claim that would be an Unimpaired Claim under the Plan, even if no timely Proof of Claim is filed therefor.

B. Claims Administration Responsibilities.

The Debtors with the reasonable consent of the Required DIP Term Loan Lenders and the Reorganized Debtors, as applicable, shall have the exclusive authority to (1) File, withdraw, or litigate to judgment any objections to Claims or Interests, (2) settle or compromise any such objections to Claims and Interests, including Disputed Claims and Interests, without further notice to or action, order, or approval of the Bankruptcy Court, and (3) administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval of the Bankruptcy Court. Except as otherwise provided herein, from and after the Effective Date, each Reorganized Debtor shall have and retain any and all rights and defenses such Debtor had immediately prior to the Effective Date with respect to any Claim or Interest (including any Disputed Claim or Interest), including the Causes of Action retained pursuant to Article IV.Q of this Plan.

C. Disputed Claims Process.

If the Debtors with the reasonable consent of the Required DIP Term Loan Lenders or the Reorganized Debtors, as applicable, dispute any Proof of Claim that is Filed on account of an Unimpaired Claim, such dispute shall be determined, resolved, or adjudicated, as the case may be, in the Bankruptcy Court. For the avoidance of doubt, Holders of Disputed Other Secured Claims may take no action to liquidate, repossess, or foreclose or otherwise collect upon such Claim(s) other than adjudication in the Bankruptcy Court (unless otherwise consensually resolved between the Debtors or Reorganized Debtors, as applicable, and such Holder, and any such consensual resolution shall not require any further notice to or action, order, or approval of the Bankruptcy Court) until such time as the relevant Other Secured Claim is Allowed.

If the Debtors with the reasonable consent of the Required DIP Term Loan Lenders or Reorganized Debtors, as applicable, dispute any Impaired Claim that is not Allowed as of the Effective Date pursuant to Article III.B or a Final Order entered by the Bankruptcy Court (which may include the Confirmation Order), the Debtors or Reorganized Debtors, as applicable, shall File an objection with, and the dispute shall be determined, resolved, or adjudicated before, the Bankruptcy Court.

D. Estimation of Claims and Interests

Before, on, or after the Effective Date, the Debtors with the reasonable consent of the Required DIP Term Loan Lenders or the Reorganized Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Disputed Claim or Interest that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party in interest previously has objected to such Claim or Interest or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim or Interest, including during the litigation of any objection to any Claim or Interest or during the appeal relating to such objection. Notwithstanding any provision otherwise in this Plan, a Claim that has been expunged from the Claims Register but that either is subject to appeal or has not been the subject of a Final Order shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim or Interest, that estimated amount shall constitute a maximum limitation on such Claim or Interest for all purposes under this Plan (including for purposes of distributions and discharge), and the relevant Reorganized Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim or Interest. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder Files a motion requesting the right to seek such reconsideration on or before seven (7) days after the date on which such Claim is estimated. Each of the foregoing Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

E. 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 (including pursuant to the Plan) on the Claims Register by the Reorganized Debtors without the Reorganized Debtors 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.

F. Time to File Objections to Claims.

Any objections to Claims or Interests shall be Filed on or before the Claims Objection Deadline.

G. Disallowance of Claims or Interests.

Except as otherwise expressly set forth herein, and subject to the terms hereof, including Article VIII, and the DIP Order, all Claims and Interests of any Entity from which property is sought by the Debtors under sections 542, 543, or 550 of the Bankruptcy Code or that the Debtors or the Reorganized Debtors allege is a transferee of a transfer that is avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, 553(b), or 724(a) of the Bankruptcy Code shall be deemed disallowed if: (1) the Entity, on the one hand, and the Debtors or the Reorganized Debtors, 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 (2) such Entity or transferee has failed to turn over such property by the date set forth in such agreement or Final Order.

Except as otherwise provided herein or as agreed to by the Debtors or the Reorganized Debtors, any and all Proofs of Claim Filed after the Claims Bar Date shall be deemed disallowed and expunged as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless such late Proof of Claim has been deemed timely Filed by a Final Order.

H. No Distributions Pending Allowance.

Notwithstanding any other provision of this Plan, if any portion of a Claim or Interest is a Disputed Claim or Interest, as applicable, no payment or distribution provided hereunder shall be made on account of such Claim or Interest unless and until such Disputed Claim or Interest becomes an Allowed Claim or Interest; *provided* that if only the Allowed amount of an otherwise valid Claim or Interest is Disputed, such Claim or Interest shall be deemed Allowed in the amount not Disputed and payment or distribution shall be made on account of such undisputed amount.

I. Distributions After Allowance.

To the extent that a Disputed Claim or Interest ultimately becomes an Allowed Claim or Interest, distributions (if any) shall be made to the Holder of such Allowed Claim or Interest 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 Claim or Interest becomes a Final Order, the Distribution Agent shall provide to the Holder of such Claim or Interest the distribution (if any) to which such Holder is entitled under this Plan as of the Effective Date, without any interest to be paid on account of such Claim or Interest.

**ARTICLE VIII.
SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS**

A. Discharge of Claims and Termination of Interests.

Pursuant to section 1141(d) of the Bankruptcy Code and except as otherwise specifically provided in this Plan, the Confirmation Order, or in any contract, instrument, or other agreement or document created or entered into pursuant to this Plan or the Plan Supplement, the distributions, rights, and treatment that are provided in this Plan shall

be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims that the Reorganized Debtors resolve or compromise after the Effective Date), 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, Liens on, obligations of, rights against, and Interests in the Debtors or any of their 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 that employees of the Debtors have performed 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 (1) a Proof of Claim based upon such debt or right is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code, or (3) the Holder of such a Claim or Interest has accepted this Plan. Any default by the Debtors or the Non-Debtor Subsidiaries with respect to any Claim or Interest immediately prior to or on account of Filing the Chapter 11 Cases shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims (other than any Reinstated Claims) and Interests (other than any Intercompany Interests that are Reinstated) subject to the occurrence of the Effective Date.

B. Release of Liens.

Except as otherwise expressly provided in the Exit ABL Facility Documents, the Exit Holdco Loan Documents, this Plan, or the Confirmation Order or in any contract, instrument, release, or other agreement or document amended or created pursuant to this Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to this Plan and, in the case of a Secured Claim or any related Claim that may be asserted against a Non-Debtor Subsidiary, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, except for the Other Secured Claims that the Debtors elect to Reinstate in accordance with this Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates or any Non-Debtor Subsidiary shall be fully released and discharged, and all of the right, title, benefit, and interest of any Holder (and the applicable Agents of such Holder) of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert and, as applicable, be reassigned, surrendered, reconveyed, or retransferred to the Reorganized Debtors and their successors and assigns. Any Holder of such Secured Claim or Claim against a Non-Debtor Subsidiary (and the applicable Agents for such Holder) shall be authorized and directed, at the sole cost and expense of the Reorganized Debtors, to release any collateral or other property of any Debtor or Non-Debtor Subsidiary (including any Cash Collateral and possessory collateral) held by such Holder (and the applicable Agents for such Holder) and to take such actions as may be reasonably requested by the Reorganized Debtors to evidence the release of such Liens and/or security interests, including the execution, delivery, and filing or recording of such releases. The presentation or filing of the Confirmation Order to or with any federal, state, provincial, or local agency, records office, or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens, mortgages, deeds of trust, pledges, and other security interests.

To the extent that any Holder of a Secured Claim that has been satisfied or discharged in full pursuant to this Plan, or any agent for such Holder, has filed or recorded publicly any Liens and/or security interests to secure such Holder's Secured Claim, then as soon as practicable on or after the Effective Date, such Holder (or the agent for such Holder) shall take any and all steps requested by the Debtors or the Reorganized Debtors that are necessary or desirable to record or effectuate the cancellation and/or extinguishment of such Liens and/or security interests, including the making of any applicable filings or recordings, and the Reorganized Debtors shall be entitled to make any such filings or recordings on such Holder's behalf.

C. [Releases by the Debtors.

Except as expressly set forth in this Plan to the contrary, pursuant to section 1123(b) of the Bankruptcy Code, effective on the Effective Date, in exchange for good and valuable consideration, including the obligations of the Debtors under the Plan and the contributions and services of the Released Parties in facilitating the implementation of the Restructuring Transactions, the adequacy of which is hereby confirmed, each Released

Party is hereby conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by each and all of the Debtors, the Reorganized Debtors, and their Estates, in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any Causes of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, from any and all Claims and Causes of Action, whether known or unknown, including any Avoidance Actions and derivative Claims, asserted or assertable on behalf of any of the Debtors, the Reorganized Debtors, or their Estates, whether liquidated or unliquidated, fixed, or contingent, matured, or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or herein-after arising, whether in Law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common Law, or any other applicable international, foreign, or domestic Law, rule, statute, regulation, treaty, right, duty, requirement, or otherwise that such Holders or their Estates, Affiliates, heirs, executors, administrators, successors, assigns, and managers 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, the Debtors, the Reorganized Debtors, or their Estates, or any other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Reorganized Debtors, or their Estates (including the management, ownership, or operation thereof), the purchase, sale, or rescission of any Security of the Debtors, the Reorganized Debtors, or their Estates, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in this Plan, the business or contractual arrangements between any Debtor and any Released Party, any Securities issued by the Debtors' and the ownership thereof, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the DIP Term Loan Facility, the DIP ABL Facility, the ABL Facility, the Bridge Facility, the Term Loan Facility, the Exit ABL Facility, the Exit Holdco Loan Facility, the Equity Rights Offering, the Debt Rights Offering, the Management Incentive Plan, the Asset Financing Agreements, the Definitive Documents (including the Plan Supplement), or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the Definitive Documents, the DIP Term Loan Facility, the DIP ABL Facility, the ABL Facility, the Bridge Facility, the Term Loan Facility, the Exit ABL Facility, the Exit Holdco Loan Facility, the Equity Rights Offering, the Debt Rights Offering, the Management Incentive Plan, the Asset Financing Agreements, or this Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of this Plan, including the issuance or distribution of Securities pursuant to this Plan, or the distribution of property under this Plan or any other related agreement, or upon any other act, or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date.

Notwithstanding anything to the contrary in the foregoing, the releases set forth in this Article VIII.C do not release (1) any Causes of Action identified on the Schedule of Retained Causes of Action, (2) any post-Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Restructuring Transactions, or any document, instrument, or agreement (including those in the Plan Supplement) executed to implement the Plan or any Claim or obligation arising under the Plan, (3) any Claims or Causes of Action against the Excluded Parties, or (4) any Avoidance Actions against Holders of General Unsecured Claims that are not Holders of Term Loan Deficiency Claims; *provided, however*, that any Avoidance Actions, Claims, and Causes of Action that are determined to be released by the Special Committee and with the consent of the Required DIP Term Loan Lenders shall be released pursuant to this Article VIII.C.¹⁰

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor release, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute the Bankruptcy Court's finding that the Debtor release is: (1) in exchange for the good and valuable consideration provided by the Released Parties; (2) a good faith settlement and compromise of the Claims or Causes of Action released by the Debtor release; (3) in the best interests of the Debtors, the Estates, and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after reasonable investigation by the Debtors and after notice and opportunity

¹⁰ The inclusion of any Claims resulting from a determination of actual fraud, willful misconduct, or gross negligence are subject to ongoing discussion between the Debtors and the Ad Hoc Group, and the parties do not agree regarding the inclusion of the foregoing.

for hearing; and (6) a bar to any of the Debtors, the Reorganized Debtors, or the Estates asserting any Claim or Cause of Action released by the Debtor release against any of the Released Parties.]¹¹

D. Releases by the Releasing Parties.

Except as expressly set forth in this Plan to the contrary, pursuant to section 1123(b) of the Bankruptcy Code, effective on the Effective Date, in exchange for good and valuable consideration, including the obligations of the Debtors under the Plan and the contributions and services of the Released Parties in facilitating the implementation of the Restructuring Transactions, the adequacy of which is hereby confirmed, each Released Party is hereby deemed released and discharged by each and all of the Releasing Parties (other than the Debtors and the Reorganized Debtors), in each case on behalf of themselves and their respective successors, assigns, and representatives and any and all other Entities who may purport to assert any Causes of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, from any and all Claims and Causes of Action, whether known or unknown, including any Avoidance Actions and derivative Claims, asserted or assertable on behalf of any of the Debtors, the Reorganized Debtors, or their Estates, whether liquidated or unliquidated, fixed, or contingent, matured, or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or hereinafter arising, whether in Law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common Law, or any other applicable international, foreign, or domestic Law, rule, statute, regulation, treaty, right, duty, requirement, or otherwise that such Holders or their Estates, Affiliates, heirs, executors, administrators, successors, assigns, and managers 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, the Debtors, the Reorganized Debtors, or their Estates, or any other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Reorganized Debtors, or their Estates (including the management, ownership, or operation thereof), the purchase, sale, or rescission of any Security of the Debtors, the Reorganized Debtors, or their Estates, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in this Plan, the business or contractual arrangements between any Debtor and any Released Party, any Securities issued by the Debtors' and the ownership thereof, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the DIP Term Loan Facility, the DIP ABL Facility, the ABL Facility, the Bridge Facility, the Term Loan Facility, the Exit ABL Facility, the Exit Holdco Loan Facility, the Equity Rights Offering, the Debt Rights Offering, the Management Incentive Plan, the Asset Financing Agreements, the Definitive Documents (including the Plan Supplement), or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the Definitive Documents, the DIP Term Loan Facility, the DIP ABL Facility, the ABL Facility, the Bridge Facility, the Term Loan Facility, the Exit ABL Facility, the Exit Holdco Loan Facility, the Equity Rights Offering, the Debt Rights Offering, the Management Incentive Plan, the Asset Financing Agreements, or this Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of this Plan, including the issuance or distribution of Securities pursuant to this Plan, or the distribution of property under this Plan or any other related agreement, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date; *provided, however*, that notwithstanding anything herein to the contrary, nothing in this Plan shall affect, limit, or release in any way any performance obligations of any party or Entity under this Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement this Plan and nothing in this Plan shall affect, limit, or release in any way any performance obligations of any party or Entity under this Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement and those Claims left Unimpaired by Article III of the Plan) executed to implement this Plan.

Notwithstanding anything to the contrary in the foregoing, the releases set forth in this Article VIII.D do not release (1) any Claims or Causes of Action against the Excluded Parties, or (2) any Avoidance Actions against Holders of General Unsecured Claims that are not Holders of Term Loan Deficiency Claims; *provided, however*, that any Avoidance Actions, Claims, and Causes of Action that are determined to be released by the

¹¹ The releases contained in this Plan remain subject to the outcome of the Independent Investigation.

Special Committee and with the consent of the Required DIP Term Loan Lenders shall be released pursuant to this Article VIII.D.¹²

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the third-party release, which includes by reference each of the related provisions and definitions contained in this Plan, and, further, shall constitute the Bankruptcy Court's finding that the third-party release is: (1) consensual; (2) essential to Confirmation; (3) given in exchange for good and valuable consideration provided by the Released Parties, including, without limitation, the Released Parties' contributions to facilitating the restructuring and implementing this Plan; (4) a good faith settlement and compromise of the Claims or Causes of Action released by the third-party release; (5) in the best interests of the Debtors and their Estates; (6) fair, equitable, and reasonable; (7) given and made after due notice and opportunity for hearing; and (8) a bar to any of the Releasing Parties asserting any Claim or Cause of Action released pursuant to the third-party release.

E. Exculpation.

Notwithstanding anything contained in the Plan, to the fullest extent permissible under applicable Law and without limiting the releases contained in this Article VIII, effective as of the Effective Date, no Exculpated Party shall have or incur liability for, and each Exculpated Party is released and exculpated from any Claim or Cause of Action related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases prior to the Effective Date, including, the formulation, preparation, dissemination, negotiation, or Filing of the Disclosure Statement, this Plan, or any Restructuring Transaction, contract, instrument, release or other agreement or document created or entered into in connection with the Disclosure Statement or this Plan, the Plan Supplement, the Filing of the Chapter 11 Cases, the Restructuring Transactions, the DIP Term Loan Facility, the DIP ABL Facility, the ABL Facility, the Bridge Facility, the Term Loan Facility, the Exit ABL Facility, the Exit Holdco Loan Facility, the Equity Rights Offering, the Debt Rights Offering, the Management Incentive Plan, the Asset Financing Agreements, any other Definitive Document (including the Plan Supplement), or any other agreement, contract, instrument, release, or document (including any legal opinion requested by any Entity regarding any other agreement, transaction, contract, instrument, release, or document contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) relating to any of the foregoing, created or entered into in connection with the Restructuring Transactions, the Disclosure Statement, the Plan, the Plan Supplement, before or during the Chapter 11 Cases, any preference, fraudulent transfer, or other avoidance Claim arising pursuant to chapter 5 of the Bankruptcy Code or other applicable law, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date.

The Exculpated Parties have, and upon Confirmation shall be deemed to have, participated in good faith and in compliance with the applicable Laws with regard to the solicitation of votes and distribution of consideration pursuant to this Plan, and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable Law, rule, or regulation governing the solicitation of acceptances or rejections of this Plan, or such distributions made pursuant to this Plan, including the issuance of Securities thereunder. The exculpation will be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and other applicable Law or rules protecting such Exculpated Parties from liability. The Exculpated Parties and other parties set forth above have, and upon Confirmation of this Plan shall be deemed to have, participated in good faith and in compliance with the applicable Laws with regard to the solicitation of votes and distribution of consideration pursuant to this Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable Law, rule, or

¹² The inclusion of any Claims resulting from a determination of actual fraud, willful misconduct, or gross negligence are subject to ongoing discussion between the Debtors and the Ad Hoc Group, and the parties do not agree regarding the inclusion of the foregoing.

regulation governing the solicitation of acceptances or rejections of this Plan or such distributions made pursuant to this Plan.

Notwithstanding anything to the contrary in the foregoing, the exculpation set forth in this Article VIII.E do not exculpate (1) any Claims or Causes of Action against the Excluded Parties.¹³

Solely with respect to the exculpation provisions in this Article VIII, notwithstanding anything to the contrary in this Plan, each of the Exculpated Parties shall not incur liability for any Cause of Action or Claim related to any act or omission in connection with, relating to, or arising out of, in whole or in part, (a) the solicitation of acceptance or rejection of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code or (b) the participation, in good faith and in compliance with the applicable provisions of the Bankruptcy Code, in the offer, issuance, sale, or purchase of a security, offered or sold under the Plan.

F. Injunction.

Except as otherwise expressly provided in this Plan or the Confirmation Order, or for obligations or distributions issued or required to be paid pursuant to this Plan or the Confirmation Order (including the Exit ABL Facility), all Entities who have held, hold, or may hold Released Claims, Interests, or Causes of Action that have been released, discharged, or are subject to exculpation are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Reorganized Debtors, the Exculpated Parties, or the Released Parties: (1) commencing or continuing in any manner any action, suit, or other proceeding of any kind on account of or in connection with or with respect to any such Released Claims, Causes of Action, liabilities, or Interests; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Released Claims, Causes of Action, liabilities, or Interests; (3) creating, perfecting, or enforcing any Lien or encumbrance of any kind against such Entities or the property or the Estates of such Entities on account of or in connection with or with respect to any such Released Claims, Causes of Action, liabilities, or Interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property or the Estates of such Entities on account of or in connection with or with respect to any such Claims or Interests unless such Holder has Filed a motion requesting the right to perform such setoff on or before the Effective Date, and notwithstanding an indication of a Claim or Interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to applicable Law or otherwise; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Released Claims, Causes of Action, liabilities, or Interests released or settled pursuant to this Plan.

Upon entry of the Confirmation Order, all Holders of Claims and Interests and their respective current and former employees, agents, officers, directors, managers, principals, and direct and indirect Affiliates, in their capacities as such, shall be enjoined from taking any actions to interfere with the implementation or Consummation of this Plan. Each Holder of an Allowed Claim or Allowed Interest, as applicable, by accepting, or being eligible to accept, distributions under or Reinstatement of such Claim or Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in this Article VIII.E.

No Person or Entity may commence or pursue a Claim or Cause of Action of any kind against the Debtors, the Reorganized Debtors, the Exculpated Parties, or the Released Parties that relates to or is reasonably likely to relate to any act or omission in connection with, relating to, or arising out of a Claim or Cause of Action subject to Article VIII.C, Article VIII.D, Article VIII.E, or Article VIII.F hereof, without the Bankruptcy Court (1) first determining, after notice and a hearing, that such Claim or Cause of Action represents a colorable Claim of any kind, and (2) specifically authorizing such Person or Entity to bring such

¹³ The inclusion of any Claims resulting from a determination of actual fraud, willful misconduct, or gross negligence are subject to ongoing discussion between the Debtors and the Ad Hoc Group, and the parties do not agree regarding the inclusion of the foregoing.

Claim or Cause of Action against any such Debtor, Reorganized Debtor, Exculpated Party, or Released Party. The Bankruptcy Court will have sole and exclusive jurisdiction to adjudicate the underlying colorable Claim or Causes of Action.

For the avoidance of doubt and notwithstanding any other provision of the Plan, in no event are any of the Excluded Parties released, exculpated, or the beneficiary of any injunction, gatekeeper, or any other provision of this Article VIII of this Plan.

G. Protections Against Discriminatory Treatment.

Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the United States Constitution, all Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, or discriminate with respect to such a grant against, the Reorganized Debtors, or another Entity with whom the Reorganized Debtors have been associated, solely because each Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

H. Document Retention.

On and after the Effective Date, the Reorganized Debtors may maintain documents in accordance with their standard document retention policy, as may be altered, amended, modified, or supplemented by the Reorganized Debtors.

I. Reimbursement or Contribution.

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Confirmation Date: (1) such Claim has been adjudicated as non-contingent or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered prior to the Confirmation Date determining such Claim as no longer contingent.

**ARTICLE IX.
CONDITIONS PRECEDENT TO CONSUMMATION OF THE PLAN**

A. Conditions Precedent to the Confirmation Date.

It shall be a condition to the Confirmation Date that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.C hereof:

1. The New Equityholders' Term Sheet and the Exit Holdco Credit Term Sheet shall have been (i) Filed on or prior to the voting deadline and (ii) approved by the Required DIP Term Loan Lenders.

B. Conditions Precedent to the Effective Date.

It shall be a condition to the Effective Date that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.C hereof:

1. the Bankruptcy Court shall have entered the Confirmation Order, Filed in a manner consistent in all material respects with the Plan, and such order shall have become a Final Order;

2. the final version of the Plan Supplement and all of the schedules, documents, and exhibits contained therein, and all other schedules, documents, supplements and exhibits to the Plan shall be consistent with the Plan, the Definitive Documents and otherwise approved pursuant to all applicable consent thresholds;

3. the Final DIP Order shall be in full force and effect;

4. (i) the New Equityholders' Term Sheet and the Exit Holdco Loan Term Sheet shall have been (A) Filed on or prior to the voting deadline and (B) approved by Required DIP Term Loan Lenders, and (ii) the applicable Definitive Documents shall be in form and substance consistent with the New Equityholders' Term Sheet and the Exit Holdco Loan Term Sheet;

5. the Definitive Documents shall have been executed or deemed executed and delivered by each party thereto, and any conditions precedent related thereto shall have been satisfied or waived by the applicable party or parties;

6. the Debtors shall have received binding commitments to fund the Exit ABL Facility in an aggregate amount of no less than \$[●];

7. the New Interests shall have been issued (other than any New Interests issuable in connection with the Exit Holdco Loan Conversion (to the extent applicable));

8. the Equity Rights Offering shall have been fully consummated pursuant to the Rights Offering Procedures;

9. the Debt Rights Offering shall have been fully consummated pursuant to the Rights Offering Procedures;

10. the DIP ABL Claims shall have been paid in full in Cash or rolled into the Exit ABL Facility in accordance with Article II.B.1 of this Plan;

11. the New Organizational Documents shall have been adopted;

12. all Professional Fee Amounts that require approval of the Bankruptcy Court shall have been paid in full or amounts sufficient to pay such fees and expenses after the Effective Date shall have been placed in the Professional Fee Escrow Account pending the approval of such fees and expenses by the Bankruptcy Court;

13. all fees, expenses, and other amounts due and payable to the Ad Hoc Group Advisors and the ABL Advisors pursuant to the DIP Orders and this Plan, including, without limitation, the Restructuring Expenses shall have been paid in full;

14. the Debtors shall have obtained all authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate this Plan and each of the other transactions contemplated by this Plan; and

15. no court of competent jurisdiction or other competent governmental or regulatory authority shall have issued a final and non-appealable order making illegal or otherwise restricting, preventing, or prohibiting the Consummation of the Restructuring Transactions.

C. Waiver of Conditions.

Except as otherwise specified in this Plan, any one or more of the conditions to Consummation (or component thereof) set forth in this Article IX may be waived by the Debtors with the consent of the Required DIP Term Loan Lenders, other than (1) **Error! Reference source not found.** and Article IX.B.4 hereof, which may only be waived with the consent of each member of the Ad Hoc Group Steerco and (2) Article IX.B.10 hereof, which may only be waived with the consent of the DIP ABL Lenders, without notice, leave, or order of the Bankruptcy Court or any formal action other than proceedings to confirm or consummate this Plan.

D. Effect of Failure of Conditions.

If Consummation does not occur as to any Debtor, this Plan shall be null and void in all respects as to such Debtor and nothing contained in this Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any Claims against or Interests in such Debtor held by any Holders of Claims or Interests; (2) prejudice in any manner the rights of the Debtors, any Holders of Claims or Interests, or any other Entity with respect to such Debtor; or (3) constitute an admission, acknowledgment, offer, or undertaking by the Debtors, any Holders of Claims or Interests, or any other Entity with respect to such Debtor.

E. Substantial Consummation

“Substantial Consummation” of this Plan, as defined in section 1101(2) of the Bankruptcy Code, shall be deemed to occur on the Effective Date.

**ARTICLE X.
MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN**

A. Modification and Amendments.

Except as otherwise specifically provided in this Plan, the Debtors reserve the right to modify this Plan, whether such modification is material or immaterial, and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not resolicit votes on such modified Plan, in each case, with the consent of the Required DIP Term Loan Lenders; *provided* that, no modification shall affect the treatment of the DIP ABL Claims without the consent of the DIP ABL Lenders. Subject to those restrictions on modifications set forth in this Plan and the requirements of section 1127 of the Bankruptcy Code, Bankruptcy Rule 3019, and, to the extent applicable, sections 1122, 1123, and 1125 of the Bankruptcy Code, the Debtors expressly reserve their rights to revoke or withdraw, or to alter, amend, or modify this Plan one or more times after Confirmation and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify this Plan, remedy any defect or omission, or reconcile any inconsistencies in this Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of this Plan.

B. Effect of Confirmation on Modifications.

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

C. Revocation or Withdrawal of Plan.

The Debtors reserve the right to revoke or withdraw this Plan prior to the Confirmation Date and to File subsequent plans of reorganization. If the Debtors revoke or withdraw this Plan, or if Confirmation or Consummation does not occur, then: (1) this Plan shall be null and void in all respects; (2) any settlement or compromise embodied in this Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of Executory Contracts or Unexpired Leases effected under this Plan, and any document or agreement executed pursuant to this Plan, shall be deemed null and void; and (3) nothing contained in this Plan shall: (a) constitute a waiver or release of any Claims or Interests; (b) prejudice in any manner the rights of such Debtor or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor or any other Entity.

ARTICLE XI. RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, or relating to, the Chapter 11 Cases 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 Professionals authorized pursuant to the Bankruptcy Code or this Plan;
- c. resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including Cure pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (c) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article V hereof, any Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory or expired;
- d. ensure that distributions to Holders of Allowed Claims and Allowed Interests (as applicable) are accomplished pursuant to the provisions of this Plan and adjudicate any and all disputes arising from or relating to distributions under this Plan;
- 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 section 1141 of the Bankruptcy Code;

- g. enter and implement such orders as may be necessary to execute, implement, or consummate the provisions of this Plan and all contracts, instruments, releases, indentures, and other agreements or documents created or entered into in connection with this Plan, the Confirmation Order, or the Disclosure Statement;
- h. enter and enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;
- i. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of this Plan or any Entity's obligations incurred in connection with this Plan;
- j. issue injunctions, enter and implement other orders, or take such other actions as may be necessary to restrain interference by any Entity with Consummation or enforcement of this Plan;
- k. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the releases, discharge, injunctions, exculpations, and other provisions contained in this Plan, including Article VIII hereof, whether arising on or after the Effective Date, and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;
- l. 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 or Interest for amounts not timely repaid pursuant to Article VI.L hereof;
- m. enter and implement such orders as are necessary if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;
- n. determine any other matters that may arise in connection with or relate to this Plan, the Plan Supplement, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, indenture, or other agreement or document created in connection with this Plan or the Disclosure Statement;
- o. enter an order concluding or closing the Chapter 11 Cases;
- p. adjudicate any and all disputes arising from or relating to distributions under this Plan or any transactions contemplated herein;
- q. consider any modifications of this Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;
- r. determine requests for the payment of Claims and Interests entitled to priority pursuant to section 507 of the Bankruptcy Code;
- s. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of this Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with this Plan;
- t. hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;
- u. hear and determine all disputes involving the existence, nature, scope, or enforcement of any exculpations, discharges, injunctions, and releases granted in this Plan, including under Article VIII hereof;
- v. enforce all orders previously entered by the Bankruptcy Court; and

w. hear any other matter not inconsistent with the Bankruptcy Code.

As of the Effective Date, notwithstanding anything in this Article XI to the contrary, the New Organizational Documents (including the New Equityholders Documents), the Exit Holdco Loan Documents, and the Exit ABL Facility Documents and any documents related thereto shall be governed by the jurisdictional provisions therein and the Bankruptcy Court shall not retain jurisdiction with respect thereto.

ARTICLE XII. MISCELLANEOUS PROVISIONS

A. Immediate Binding Effect.

Subject to Article IX.A hereof and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of this Plan (including, for the avoidance of doubt, the documents and instruments contained in the Plan Supplement) shall be immediately effective and enforceable and deemed binding upon the Debtors, the Reorganized Debtors, any and all Holders of Claims or Interests (irrespective of whether such Holders of Claims or Interests have, or are deemed to have accepted this Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges, and injunctions described in this Plan, each Entity acquiring property under this Plan, and any and all non-Debtor third parties to Executory Contracts and Unexpired Leases with the Debtors. All Claims or Interests shall be as fixed, adjusted, or compromised, as applicable, pursuant to this Plan regardless of whether any Holder of a Claim or Interest has voted on this Plan.

B. Additional Documents.

On or before the Effective Date, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary to effectuate and further evidence the terms and conditions of this Plan. The Debtors or the Reorganized Debtors, 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.

C. Payment of Statutory Fees.

All fees due and payable before the Effective Date pursuant to 28 U.S.C. § 1930(a) shall be paid by the Debtors in full in Cash on the Effective Date. The Reorganized Debtors and the Distribution Agent shall remain obligated to pay such fees until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first.

D. Dissolution of the Committee and Any Other Statutory Committee and Cessation of Fee and Expense Payment.

On the Effective Date, the Committee and any other statutory committee appointed in the Chapter 11 Cases shall dissolve and the members thereof and the Professionals retained by the Committee shall be released and discharged from all rights, duties, responsibilities, and liabilities arising from or related to the Chapter 11 Cases and under the Bankruptcy Code. The Reorganized Debtors shall no longer be responsible for paying any fees or expenses incurred by the members of or the Professionals retained by any statutory committees after the Effective Date for any purpose.

E. Reservation of Rights.

Except as expressly set forth in this Plan, this Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order, and the Confirmation Order shall have no force or effect if the Effective Date does not occur. None of the Filing of this Plan, any statement or provision contained in this Plan, or the taking of any action by any 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 any Debtor with respect to the Holders of Claims or Interests prior to the Effective Date.

F. 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, manager, director, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

G. Notices.

All notices, requests, and demands to or upon the Debtors in order to be effective shall be in writing (including by e-mail and/or facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by e-mail and/or facsimile transmission, when received and telephonically confirmed, addressed as follows:

Debtors	Counsel to the Debtors
Ascend Performance Materials Holdings Inc. 1010 Travis St., Suite 900 Houston, Texas 77002 Attention: Scott Andrew Ralston, Senior Vice President and General Counsel E-mail address: sarals@ascendmaterials.com	Kirkland & Ellis LLP 601 Lexington Avenue New York, New York 10022 Attention: Christopher Marcus, P.C., Derek I. Hunter, Oliver Paré E-mail addresses: cmarcus@kirkland.com, derek.hunter@kirkland.com, oliver.pare@kirkland.com and Bracewell LLP 711 Louisiana Street, Suite 2300 Houston, Texas 77002 Attention: Jason G. Cohen, Jonathan L. Lozano E-mail addresses: jason.cohen@bracewell.com, jonathan.lozano@bracewell.com
United States Trustee	Counsel to the Ad Hoc Group
Office of The United States Trustee 515 Rusk Street, Suite 3516 Houston, TX 77002 Attn: Jana Whitworth, Jayson Ruff E-mail Address: Jana.Whitworth@usdoj.gov Jayson.B.Ruff@usdoj.gov	Gibson Dunn & Crutcher LLP 200 Park Avenue New York, New York 10166-0193 Attention: Scott J. Greenberg E-mail address: SGreenberg@gibsondunn.com and Gibson Dunn & Crutcher LLP 1700 M Street N.W. Washington, D.C. 20036-3504 Attention: AnnElyse Scarlett Gains E-mail address: AGains@gibsondunn.com and Gibson Dunn & Crutcher LLP 333 South Grand Avenue Los Angeles, California 90071 Attention: Francis Petrie E-mail address: FPetrie@gibsondunn.com

Counsel to the ABL Agent & the DIP ABL Agent	Counsel to the Committee
Greenberg Traurig, LLP One International Place, Suite 2000 Boston, Massachusetts 02110 Attention: Julia Frost-Davies E-mail addresses: Julia.FrostDavies@gtlaw.com and Greenberg Traurig, LLP Terminus 200 3333 Piedmont Road NE, Suite 2500 Atlanta, Georgia 30305 Attention: Bethani R. Oppenheimer E-mail addresses: oppenheimerb@gtlaw.com	Brown Rudnick LLP Seven Times Square New York, NY 10036 Attention: Robert J. Stark E-mail address: rstark@brownrudnick.com and Brown Rudnick LLP One Financial Center Boston, MA 02111 Attention: Sharon I. Dwoskin E-mail address: sdwoskin@brownrudnick.com and Parkins & Rubio LLP 100 Park Avenue, Suite 1600 New York, NY 10017 Attention: Charles Rubio E-mail address: crubio@parkinsrubio.com

After the Effective Date, the Reorganized Debtors are authorized to notify Entities that, in order to continue to receiving documents pursuant to Bankruptcy Rule 2002, such Entities must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Reorganized Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed such renewed requests.

H. Term of Injunctions or Stays.

Unless otherwise provided in this Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases 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 Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in this Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

I. Entire Agreement.

Except as otherwise indicated, this Plan (including, for the avoidance of doubt, the documents and instruments in the Plan Supplement) supersedes 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. Plan Supplement.

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. After the exhibits and documents are Filed, copies of such exhibits and documents shall be available upon written request to the Debtors' counsel at the address above or by downloading such exhibits and documents from the Debtors' restructuring website at <https://dm.epiq11.com/Ascend> or the Bankruptcy Court's website at www.tx.uscourts.gov/bankruptcy. To the extent any exhibit or document is inconsistent with the terms of this Plan, unless otherwise ordered by the Bankruptcy Court, the Plan Supplement exhibit or document shall control.

K. Nonseverability of Plan Provisions.

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; *provided, however*, that any such alteration or interpretation shall be acceptable to the Debtors. 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 Confirmation 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: (1) valid and enforceable pursuant to its terms; (2) integral to this Plan and may not be deleted or modified without the Debtors' or the Reorganized Debtors' consent, as applicable, and (3) nonseverable and mutually dependent.

L. Votes Solicited in Good Faith.

Upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on this Plan in good faith and in compliance with section 1125(g) of the Bankruptcy Code, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and each of their respective Affiliates, agents, representatives, members, principals, shareholders, officers, directors, managers employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of Securities offered and sold under this Plan or the Equity Rights Offering or any previous plan, and, therefore, no such parties or individuals or the Reorganized Debtors will have any liability for the violation of any applicable Law, rule, or regulation governing the solicitation of votes on this Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under this Plan, any previous plan, and the Equity Rights Offering.

M. Closing of Chapter 11 Cases.

Upon the occurrence of the Effective Date, the Reorganized Debtors shall be permitted to close some or all of the Chapter 11 Cases, and all contested matters and adversary proceedings relating to each of the Debtors, including objections to Claims, shall be administered and heard in the Chapter 11 Case of any Reorganized Debtor that remains open; *provided* that for purposes of sections 546 and 550 of the Bankruptcy Code, the Chapter 11 Cases shall be deemed to remain open until the Chapter 11 Case of all other Reorganized Debtors have been closed.

When all Disputed Claims have become Allowed or disallowed and all remaining Cash has been distributed in accordance with the Plan, the Reorganized Debtors shall seek authority from the Bankruptcy Court to close the Chapter 11 Cases in accordance with the Bankruptcy Code and the Bankruptcy Rules.

N. Waiver or Estoppel.

Each Holder of a Claim or an Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Interest should be Allowed in a certain amount, in a certain priority, secured, or not subordinated by virtue of an agreement made with the Debtors or their counsel, or with any other Entity, if such agreement was not disclosed in this Plan, the Disclosure Statement, or papers Filed with the Bankruptcy Court prior to the Confirmation Date.

Dated: August 12, 2025

ASCEND PERFORMANCE MATERIALS HOLDINGS
INC.

on behalf of itself and all other Debtors

/s/ Robert Del Genio

Robert Del Genio
Chief Restructuring Officer, Ascend Performance
Materials Holdings Inc.

Exhibit B

Corporate Organization Chart

