

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

In re:)	Chapter 11
)	
FIRSTENERGY SOLUTIONS CORP., et al., ¹)	Case No. 18-50757 (AMK)
)	(Jointly Administered)
)	
Debtors.)	
)	Hon. Judge Alan M. Koschik

NOTICE OF DISCLOSURE STATEMENT HEARING

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On April 18, 2019, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed the *Disclosure Statement for the Fourth Amended Joint Plan of Reorganization of FirstEnergy Solutions Corp., et. al., Pursuant to Chapter 11 of the Bankruptcy Code* (as may be amended, modified or supplemented, the “Disclosure Statement”) [Docket No. 2530] with the United States Bankruptcy Court for the Northern District of Ohio (the “Court”). The Debtors submitted the Disclosure Statement pursuant to section 1125 of the Bankruptcy Code for use in the solicitation of votes on the *Fourth Amended Joint Plan of Reorganization of FirstEnergy Solutions Corp., et. al., Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 2529] (as modified, amended or supplemented from time to time, the “Plan”).² The Debtors reserve the right to amend, supplement, or modify such documents prior to the Disclosure Statement Hearing (as defined below).

2. A hearing is scheduled before the Honorable Alan M. Koschik, United States Bankruptcy Judge for the Northern District of Ohio, for **9:30 a.m. (prevailing Eastern Time) on May 20, 2019** (the “Disclosure Statement Hearing”) at the John F. Seiberling Federal Building and U.S. Courthouse, 260 U.S. Courthouse, 2 South Main Street, Akron, Ohio 44308, to consider the entry of an order approving, among other things, (i) the Disclosure Statement as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code; (ii) procedures for soliciting, receiving and tabulating votes on the Plan and for filing objections to the Plan; (iii) the form of ballots, notices, and certain other documents to be distributed in connection with the solicitation of the Plan; (iv) the deadlines contained in the solicitation and

¹ The Debtors in these chapter 11 cases (the “Chapter 11 Cases”), along with the last four digits of each Debtor’s federal tax identification number, are: FE Aircraft Leasing Corp. (9245), case no. 18-50759; FirstEnergy Generation, LLC (0561), case no. 18-50762; FirstEnergy Generation Mansfield Unit 1 Corp. (5914), case no. 18-50763; FirstEnergy Nuclear Generation, LLC (6394), case no. 18-50760; FirstEnergy Nuclear Operating Company (1483), case no. 18-50761; FirstEnergy Solutions Corp. (0186); and Norton Energy Storage L.L.C. (6928), case no. 18-50764. The Debtors’ address is: 341 White Pond Dr., Akron, OH 44320.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan or Disclosure Statement, as the context so requires.



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confirmation procedures: and (v) the procedures for notice of the confirmation hearing and filing objections to confirmation of the Plan.

PLEASE BE ADVISED THAT THE DISCLOSURE STATEMENT HEARING MAY BE CONTINUED FROM TIME TO TIME BY THE COURT OR THE DEBTORS WITHOUT FURTHER NOTICE OTHER THAN BY SUCH ADJOURNMENT BEING ANNOUNCED IN OPEN COURT OR BY A NOTICE OF ADJOURNMENT FILED WITH THE COURT.

3. Copies of the Disclosure Statement and Plan may be obtained (i) from Prime Clerk LLC (a) at www.primeclerk.com/FES, (b) upon request by mail to FirstEnergy Solutions Corp. Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 3rd Floor, New York, NY 10022, or (c) upon request by calling the FES restructuring hotline at (855) 934-8766 or (ii) for a fee via PACER at <https://ecf.ohnb.uscourts.gov/> (a PACER login and password are required to access documents on the Court's website and can be obtained through the PACER Service Center at www.pacer.psc.uscourts.gov). A copy of the Disclosure Statement and the Plan is also on file with the Office of the Clerk of Court, United States Bankruptcy Court for the Northern District of Ohio, John F. Seiberling Federal Building and U.S. Courthouse, 2 South Main Street, Akron, Ohio 44308 and may be examined by any party in interest during normal business hours.

4. **EQUITY ELECTION RECORD DATE.** As previously disclosed in the *Notice of the Debtors' Entry into a Restructuring Support Agreement and of the Record Date for Equity Elections under the Debtors' Plan of Reorganization* [Docket No. 1995] filed on January 23, 2019, the Plan contemplates that Holders of certain classes of Claims against FirstEnergy Solutions Corp., FirstEnergy Generation, LLC, FirstEnergy Nuclear Generation, LLC, and FirstEnergy Nuclear Operating Company, as applicable, may be eligible to elect to receive equity in the Reorganized Debtors, rather than Cash, in satisfaction of their Claims (an "**Equity Election**") under the Plan. **The date of record for purposes of making an Equity Election was January 23, 2019, or such later date as agreed by the Debtors with the consent of the Requisite Supporting Parties and the Committee (each as defined in the Plan (such date, the "Equity Election Record Date").** All Holders of General Unsecured Claims wishing to make an Equity Election with respect to eligible Claims will be required to certify on their ballots to accept or reject the Plan, or by such other method acceptable to the Debtors with the consent of the Requisite Supporting Parties (as defined in the Restructuring Support Agreement (the "**RSA**")) and the Committee, that they were (i) the beneficial holder of such Claims as of the applicable Equity Election Record Date and have not sold, transferred, or provided a participation in such Claims, or directly or implicitly agreed to do so following the Equity Election Record Date or (ii) are otherwise a party to the RSA and the beneficial holder of such Claims and such Claims were subject to the RSA as of the applicable Equity Election Record Date.

ANY HOLDER OF A GENERAL UNSECURED CLAIM WHO IS NOT PARTY TO THE RSA WHO SELLS ITS CLAIM AFTER THE EQUITY ELECTION RECORD DATE WILL NOT BE PERMITTED TO MAKE AN EQUITY ELECTION UNDER THE PLAN.

ANY BUYER OF A GENERAL UNSECURED CLAIM, WHICH CLAIM IS NOT SUBJECT TO THE RSA AS OF THE EQUITY ELECTION RECORD DATE WILL NOT BE ENTITLED TO MAKE AN EQUITY ELECTION UNDER THE PLAN AND

WILL ONLY BE PERMITTED TO RECEIVE AN EQUIVALENT CASH DISTRIBUTION ON ACCOUNT OF SUCH GENERAL UNSECURED CLAIM.

Notwithstanding the foregoing, no Holder of a General Unsecured Claim shall be prohibited from selling its General Unsecured Claim at any time after the Equity Election Record Date, *provided* that the transferee of any such General Unsecured Claim will not be eligible to receive an equity distribution unless such Claim is subject to the RSA.

5. SETTLEMENT, RELEASE, INJUNCTION AND RELATED PROVISIONS. The Plan contains certain release, injunction, and exculpation provisions, including third party releases, which are subject to approval by the Court and may be found at Article VIII of the Plan and Article V.I of the Disclosure Statement.

ARTICLE VIII OF THE PLAN CONTAINS RELEASE, INJUNCTION AND EXCULPATION PROVISIONS, INCLUDING CONSENSUAL THIRD PARTY RELEASES IN ARTICLE VIII.E. THUS, YOU SHOULD REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER WITH RESPECT TO THE CONSENSUAL THIRD PARTY RELEASES.

6. THIRD PARTY RELEASES. The Plan contains Consensual Third Party Releases of claims and Causes of Action against the Debtor Released Parties, the FE Non-Debtor Released Parties and the Other Released Parties.

Any Holder of a Claim that (i) votes to accept the Plan or (ii) is deemed to have accepted the Plan shall be deemed to have granted the Consensual Third Party Releases. A Holder of a Claim that (i) is entitled to vote, but fails to vote to accept or reject the Plan or (ii) rejects the Plan, shall not be deemed to have granted the Consensual Third Party Releases.

Article VIII.E of the Plan provides for the following Consensual Third Party Releases:

On and as of the Effective Date, in exchange for good and valuable consideration, including the obligations of the Debtors under the Plan and the contributions of the Debtor Released Parties, FE Non-Debtor Released Parties and Other Released Parties, to facilitate and implement the Plan, each Holder of a Claim or Interest that (i) votes to accept the Plan or (ii) is deemed to have accepted the Plan, shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged each Debtor Released Party, FE Non-Debtor Released Party, and Other Released Party from any and all claims and Causes of Action, including any derivative claims asserted or assertable by or on behalf of any of the Debtors, the Reorganized Debtors, or their Estates or Affiliates (including any FE Non-Debtor Parties), as applicable, that such Entity would have been legally entitled to assert its own right (whether individually or collectively) or on behalf of the Holder of any Claim against, or Interest in, a Debtor or other Entity, based on or relating to, or in any manner arising from in whole or in part, the Debtors, the Debtors' businesses, the Debtors' property, the Debtors' capital structure, the assertion or enforcement of rights and remedies against the Debtors, the Debtors' in- or out-of-court restructuring discussions, intercompany transactions between or among the Debtors and/or their Affiliates (including any FE Non-Debtor Parties), the purchase, sale, or rescission of the purchase or sale of any

Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and Released Party, the PCNs, the FES Notes, any interest in the Mansfield Facility Documents, the Chapter 11 Cases and related adversary proceedings, the formulation, preparation, dissemination, negotiation, filing, or consummation of the Restructuring Support Agreement, the Process Support Agreement, the Standstill Agreement, the FE Settlement Agreement, 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 foregoing, including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion, the 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. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (i) any obligations of any Entity arising after the Effective Date under the Plan, the Confirmation Order, any Restructuring Transaction, the FE Settlement Agreement and any related obligations under the Plan, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan and the FE Settlement Agreement, (ii) any Consenting Owner Participant from its obligations to the Consenting Owner Trustee, in its individual capacity (and its successors, permitted assigns, directors, officers, employees, agents, and servants), under the Mansfield Trust Agreements or (iii) the Consenting Owner Trustee from its obligations under the Mansfield Trust Agreements with respect to periods after the date of the Confirmation Order.

For the avoidance of doubt, on and as of the Effective Date, each Holder of a Claim or Interest that (i) votes to accept the Plan or (ii) is deemed to have accepted the Plan shall be deemed to provide a full and complete discharge and release to the Debtor Released Parties, the FE Non-Debtor Released Parties, and the Other Released Parties and their respective property from any and all Causes of Action whatsoever, whether known or unknown, asserted or unasserted, derivative or direct, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, fraud, contract, violations of federal or state securities laws, veil piercing or alter-ego theories of liability, contribution, indemnification, joint liability, or otherwise arising from or related in any way to (i) the Debtors, the Reorganized Debtors, their businesses, their property, or any interest in the Mansfield Facility Documents; (ii) any Cause of Action against the FE Non-Debtor Released Parties or their property arising in connection with any intercompany transactions or other matters arising in the conduct of the Debtors' businesses; (iii) the Chapter 11 Cases; (iv) the formulation, preparation, negotiation, dissemination, implementation, administration, Confirmation or Consummation of the Plan, the Plan Supplement, any contract, employee pension or benefit plan instrument, release, or other agreement or document related to any Debtor, the Chapter 11 Cases or the Plan, modified, amended, terminated, or entered into in connection with either the Plan, or any agreement between the Debtors and any FE Non-Debtor Released Party, including the FE Settlement Agreement; or (v) any other act taken or omitted to be taken in connection with the Chapter 11 Cases, including, without

limitation, acts or omissions occurring after the Effective Date in connection with distributions made consistent with the terms of the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, of the Consensual Third Party Release, which includes by reference each of the related provisions and definitions contained in this Plan.

7. Responses and objections, if any, to the approval of the Disclosure Statement or any of the other relief sought by the Debtors in connection with approval of the Disclosure Statement, **must** (i) be in writing, (ii) state the name and address of the objecting or responding party and the amount and nature of the claim or interest of such party, (iii) state with particularity the basis and nature of any objection or response and include, where appropriate, proposed language to be incorporated into the Disclosure Statement to resolve any such objection or response, (iv) be filed together with proof of service, with the Clerk of Court, United States Bankruptcy Court for the Northern District of Ohio, Eastern Division, John F. Seiberling Federal Building and U.S. Courthouse, 455 U.S. Courthouse, 2 South Main Street, Akron, Ohio 44308 and served so that they are received by the following parties: (i) counsel for the Debtors; (ii) the Office of the United States Trustee; and (iii) all other parties in interest that have filed a notice of appearance in accordance with Rule 2002 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") in the Debtors' chapter 11 cases on or before on or before **4:00 p.m. (prevailing Eastern Time) on May 16, 2019**. Request for notice information regarding these parties should be directed to the Debtors' claims and noticing agent, Prime Clerk LLC, 830 Third Avenue, 3rd Floor, New York, NY 10022.

8. IF ANY OBJECTION TO THE DISCLOSURE STATEMENT IS NOT FILED AND SERVED STRICTLY AS PRESCRIBED HEREIN, THE OBJECTING PARTY MAY BE BARRED FROM OBJECTING TO THE ADEQUACY OF THE DISCLOSURE STATEMENT AND MAY NOT BE HEARD AT THE HEARING.

9. Upon approval of the Disclosure Statement by the Court, holders of Claims against the Debtors who are entitled to vote on the Plan will receive a copy of the Disclosure Statement, the Plan, and various documents related thereto, unless otherwise ordered by the Court.

**If you have any questions related to this notice,
please call the Debtors' restructuring hotline at (855) 934-8766 or email
fesballots@primeclerk.com.**

**Please note that Prime Clerk LLC is not authorized to provide,
and will not provide, legal advice.**

Dated: April 18, 2019

Respectfully submitted,

/s/ Kate M. Bradley

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